

# IMPORTANT - - Read This Developer Prepared Report Before Buying

This Report Is Not a Commission Approval or Disapproval of This Condominium Project

## DEVELOPER'S PUBLIC REPORT FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	HAWAII CITY PLAZA
Project Address	710 Sheridan Street, Honolulu, Hawaii
Registration Number	8245
Effective Date of Report	<b>January 9, 2019</b>
Developer(s)	Hawaii City Plaza LP

### Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

---

*This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.*

## Special Attention - - Significant Matters

The developer's inclusion of a disclosure or an explanation of any or all of the following applicable significant matters in this part of the developer's public report shall not be construed to constitute the Commission's:

- Approval or disapproval of the project;
- Representation that the developer has fully or adequately disclosed either all material facts or all pertinent changes, or both, concerning the project;
- Representation that the developer's disclosures of other material facts elsewhere in this report is less important; or
- Judgment of the value or merits of the project.

The commission reserves the right to request that the developer include these special and significant matters elsewhere in the developer's public report.

1. **Project Information.** The Project is located in the City and County of Honolulu, State of Hawaii. It is currently expected to consist of one hundred forty-seven (147) residential units, thirty-seven (37) rental units, and three (3) commercial units for a total of one hundred eighty-seven (187) units, and is intended to be located in a single twenty-six (26) story building as set forth in the Declaration and shown on the Condominium Map. The one hundred forty-seven (147) residential units will be offered and sold as market-priced units. The thirty-seven (37) rental units will be initially rented as affordable rental units subject to the terms and restrictions set forth in that certain City and County of Honolulu Resolution No. 17-305, as the same may be amended or supplemented ("Permit"), which Permit is further discussed in Paragraph 2 below.
2. **Permit.** Certain units in the Project will be initially rented as affordable rental units and subject to the terms and restrictions more particularly set forth in that certain City and County of Honolulu Resolution No. 17-305.
3. **Views.** Each owner acknowledges that there are no protected views in the Project, and the units are not assured the existence or unobstructed continuation of any particular view. Any view from a unit is not intended as part of the value of the unit, and is not guaranteed, and Developer makes no representation or warranty regarding whether a unit will continue to have the same view or any view; and Developer makes no representation whatsoever as to the effect of the view or lack thereof on the value of a unit. The views from a unit or the Project will likely change as a result of, be affected by, or obstructed by: (a) construction or installation of buildings, improvements, structures, walls, and/or landscaping by Developer or owners of property outside the Project; and/or (b) the growth of trees, landscaping, and/or vegetation within or outside the Project.
4. **Reserved Rights of Developer.** Exhibit "G" to this Developer's Public Report sets forth a summary of certain reserved rights of Developer. **Prospective purchasers and purchasers should carefully review Exhibit "G".** Such rights may generally be exercised by Developer at any time or times during the Development Period, as such term is defined in the Declaration. This means that these rights will continue even after completion of the Project and closings of the sales of units and title is transferred to owners. Prospective purchasers should note that among those rights that are reserved to Developer is the right to modify the units and amenities in the Project; provided, however, that in no event will any modification result in less than one (1) parking stall being assigned to a unit.
5. **Dispute Resolution; Waivers.** The following provisions apply to the resolution of covered disputes arising in connection with a purchase agreement or the Declaration of Condominium Property Regime of Hawaii City Plaza ("**Declaration**"), respectively:
  - a. **Purchase Agreement:** The following provisions apply to the resolution of Disputes (as defined below):

PURPOSE AND EXCLUSIVITY. THE PURPOSE OF THESE DISPUTE NOTIFICATION AND RESOLUTION PROCEDURES (THE "PROCEDURES") IS TO PROVIDE SELLER AND ITS MANAGERS, MEMBERS, OFFICERS, AGENTS, EMPLOYEES, BROKERS, OTHER REPRESENTATIVES, AND PURCHASER OR OTHER OWNER OF AN INTEREST IN THE UNIT AND ANY PERSONS CLAIMING THEREUNDER (COLLECTIVELY, FOR PURPOSES OF THIS SECTION, THE "PARTIES") WITH A MECHANISM TO RESOLVE DISPUTES THAT ARISE IN CONNECTION WITH THE PURCHASE AGREEMENT. THE PARTIES AGREE THAT THESE PROCEDURES SHALL BE THE METHOD EMPLOYED TO RESOLVE ALL DISPUTES.

- i. DEFINITION. A "DISPUTE" MEANS AND INCLUDES ANY AND ALL ACTIONS, CLAIMS OR DISPUTES BETWEEN OR AMONG THE PARTIES WITH RESPECT TO, ARISING OUT OF, OR RELATING TO THE PURCHASE AGREEMENT, WHERE THE TOTAL AMOUNT IN CONTROVERSY (INCLUDING ALL CLAIMS AND COUNTERCLAIMS) IS GREATER THAN THREE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$3,500.00). A DISPUTE SHALL NOT INCLUDE CONSTRUCTION DEFECTS COVERED UNDER THE CONTRACTOR REPAIR ACT, CHAPTER 672E OF THE HAWAII REVISED STATUTES (THE "CONTRACTOR REPAIR ACT").
- ii. PRE-CLOSING DISPUTE. NOTWITHSTANDING ANYTHING IN THIS SECTION TO THE CONTRARY AND SUBJECT TO SECTIONS E.34 AND E.35 OF THE PURCHASE AGREEMENT, ANY DISPUTE SOLELY BETWEEN SELLER AND PURCHASER ARISING OUT OF OR INCIDENT TO THE PURCHASE AGREEMENT MAY BE PURSUED IN A COURT OF COMPETENT JURISDICTION IN HONOLULU, HAWAII, WITHOUT THE OBLIGATION OF DISCUSSION OR MEDIATION, PROVIDED THAT SUCH CLAIM IS FILED PRIOR TO THE SCHEDULED CLOSING DATE IN THE PURCHASE AGREEMENT.
- iii. DISCUSSION. ANY PERSON WITH A DISPUTE SHALL NOTIFY THE PARTY TO WHOM THE DISPUTE IS DIRECTED IN WRITING OF THE DISPUTE, WHICH WRITING SHALL DESCRIBE THE NATURE OF THE DISPUTE AND ANY PROPOSED REMEDY (THE "DISPUTE NOTICE"). WITHIN A REASONABLE PERIOD AFTER RECEIPT OF THE DISPUTE NOTICE, WHICH PERIOD SHALL NOT EXCEED TWENTY-ONE CALENDAR (21) DAYS, THE PARTIES TO THE DISPUTE, REPRESENTED BY INDIVIDUALS WITH DECISION MAKING AUTHORITY, SHALL MEET AT A MUTUALLY ACCEPTABLE LOCATION WITHIN OR NEAR THE PROJECT TO DISCUSS THE DISPUTE. THE PARTIES TO THE DISPUTE SHALL NEGOTIATE IN GOOD FAITH IN AN EFFORT TO RESOLVE THE DISPUTE.
- iv. MEDIATION. IF THE PARTIES CANNOT RESOLVE SUCH DISPUTE PURSUANT TO THE PROCEDURES DESCRIBED IN SECTION 5.a.iii ABOVE WITHIN THIRTY (30) CALENDAR DAYS AFTER THE COMMENCEMENT OF DISCUSSIONS, THE MATTER SHALL BE SUBMITTED TO MEDIATION BY AND PURSUANT TO THE PROCEDURES ADOPTED BY DISPUTE PREVENTION AND RESOLUTION, INC. ("DPR") IN HONOLULU, HAWAII, OR ANY SUCCESSOR ENTITY THERETO, OR TO ANY OTHER ENTITY OFFERING MEDIATION SERVICES THAT IS ACCEPTABLE TO THE PARTIES.
  1. PARTIES PERMITTED AT SESSIONS. PERSONS OTHER THAN THE PARTIES, THEIR AUTHORIZED REPRESENTATIVES, AND THE MEDIATOR MAY ATTEND THE MEDIATION SESSIONS ONLY WITH THE CONSENT OF THE MEDIATOR; PROVIDED, HOWEVER, SUCH PERMISSION AND CONSENT SHALL NOT BE REQUIRED TO ALLOW

PARTICIPATION OF SUCH PARTIES' LIABILITY INSURERS IN THE MEDIATION TO THE EXTENT REQUIRED UNDER SUCH PARTIES' LIABILITY INSURANCE POLICY.

2. RECORD. THERE SHALL BE NO STENOGRAPHIC RECORD OF THE MEDIATION PROCESS.
3. EXPENSES. THE EXPENSES OF WITNESSES SHALL BE PAID BY THE PARTY PRODUCING SUCH WITNESSES. ALL OTHER EXPENSES OF THE MEDIATION INCLUDING, BUT NOT LIMITED TO, THE FEES AND COSTS CHARGED BY THE MEDIATOR AND THE EXPENSES OF ANY WITNESSES OR THE COST OF ANY PROOF OR EXPERT ADVICE PRODUCED AT THE DIRECT REQUEST OF THE MEDIATOR, SHALL BE BORNE EQUALLY BY THE PARTIES TO THE MEDIATION UNLESS THEY AGREE OTHERWISE. EACH PARTY TO THE MEDIATION SHALL BEAR ITS OWN ATTORNEYS' FEES AND COSTS IN CONNECTION WITH SUCH MEDIATION.
4. NO JUDICIAL INTERVENTION. IF A PARTY INSTITUTES LITIGATION PRIOR TO OBSERVING THE PROCEDURES SET FORTH IN SECTIONS 5.a.iii AND 53a.iv ("PROHIBITED LITIGATION"), SUCH PARTY SHALL BE RESPONSIBLE FOR ALL REASONABLE EXPENSES AND FEES (INCLUDING ATTORNEYS' FEES) INCURRED BY THE OTHER PARTY IN OBTAINING A STAY OR DISMISSAL OF THE PROHIBITED LITIGATION.
5. CONFIDENTIALITY. ALL NEGOTIATIONS, MEDIATION PROCEEDINGS, AND ANY DISCOVERY CONDUCTED PURSUANT TO THESE PROCEDURES ARE CONFIDENTIAL. ALL PROCEEDINGS CONDUCTED PURSUANT TO THESE PROCEDURES SHALL BE TREATED FOR ALL PURPOSES AS COMPROMISE AND SETTLEMENT NEGOTIATIONS WITHIN THE MEANING OF RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND RULE 408 OF THE HAWAII RULES OF EVIDENCE.
- v. FURTHER RESOLUTION. IF THE PARTIES ARE UNABLE RESOLVE A DISPUTE PURSUANT TO THE PROCEDURES DESCRIBED IN SECTIONS 5.a.iii AND 5.a.iv ABOVE, EACH PARTY SHALL HAVE THE RIGHT TO PURSUE THE RIGHTS AND REMEDIES AVAILABLE TO SUCH PARTY AT LAW OR IN EQUITY. IF A DISPUTE PROCEEDS IN COURT, SUCH ACTION SHALL BE BROUGHT EXCLUSIVELY IN THE FEDERAL OR STATE COURTS LOCATED IN HONOLULU, HAWAII. THE PARTIES HEREBY AGREE THAT THE COURT SHALL APPLY HAWAII SUBSTANTIVE LAW AND APPLICABLE STATUTES OF LIMITATIONS AND WILL HONOR CLAIMS OF PRIVILEGE RECOGNIZED BY LAW.
- vi. STATUTES OF LIMITATION. THE APPLICABLE STATUTE OF LIMITATIONS SHALL NOT BE TOLLED BY ANYTHING CONTAINED IN THESE PROCEDURES. NOTWITHSTANDING THE PROHIBITION ON LITIGATION, A PARTY MAY COMMENCE AN ACTION SOLELY FOR THE PURPOSE OF TOLLING THE STATUTES OF LIMITATION, PROVIDED SUCH PARTY IMMEDIATELY STAYS THE ACTION TO RESOLVE THE DISPUTE PURSUANT TO THE PROCEDURES DESCRIBED IN SECTIONS 5.a.iii AND 5.a.iv ABOVE.
- vii. SURVIVAL; SUCCESSORS AND ASSIGNS. THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS SECTION SHALL SURVIVE THE

CONVEYANCE OF THE UNIT PURSUANT TO THE PURCHASE AGREEMENT AND THE TERMINATION OR EXPIRATION OF THE PURCHASE AGREEMENT. THESE PROCEDURES, AND THE RIGHTS, DUTIES, AND OBLIGATIONS OF THE PARTIES, SHALL BE BINDING UPON AND SHALL INURE TO THE BENEFIT OF THEIR RESPECTIVE SUCCESSORS AND PERMITTED ASSIGNS.

- viii. THIRD-PARTY BENEFICIARY. IT IS THE INTENT OF SELLER AND PURCHASER THAT THE CONTRACTORS, SUBCONTRACTORS, DESIGN PROFESSIONALS, ENGINEERS AND SUPPLIERS WHO PROVIDED LABOR, SERVICES, OR MATERIALS TO THE PROJECT, AND SELLER'S AGENTS AND ATTORNEYS, SHALL BE THIRD-PARTY BENEFICIARIES UNDER THIS SECTION, AND SHALL BE ENTITLED TO ENFORCE THE PROVISIONS OF THIS SECTION.

**b. Declaration:**

The following provisions apply to the resolution of Disputes (as defined below):

- i. **DISPUTES.** The purpose of this Section is to provide the Owners, Association, Board, Managing Agent, Developer and their respective Representatives (collectively, for purposes of this Section, the "**Parties**") with a mechanism to resolve Disputes (as defined below).
  1. A "**Dispute**" means and includes any and all actions, claims or disputes between or among the Parties with respect to, arising out of, or relating to the Declaration. A Dispute shall not include: (a) claims for construction defects governed by the Contractor Repair Act, Chapter 672E of the Hawaii Revised Statutes; (b) actions seeking equitable relief involving threatened property damage or the health or safety of Owners or any other persons; (c) actions to collect assessments; (d) personal injury claims; or (e) actions against the Association, the Board, or any Director, Officer, agent, employee, or other persons for amounts in excess of THREE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$3,500.00) if insurance coverage under a policy of insurance procured by the Association or the Board would be unavailable for defense or judgment because mediation was pursued.
- ii. **DISCUSSION.** Any Party with a Dispute shall notify the party to whom the Dispute is directed in writing of the Dispute, which writing shall describe the nature of the Dispute and any proposed remedy (the "**Dispute Notice**"). Within a reasonable period of time after receipt of the Dispute Notice, which period shall not exceed twenty-one (21) calendar days, the Parties to the Dispute shall meet at a mutually acceptable location within or near the Project to discuss the Dispute. The Parties to the Dispute shall negotiate in good faith in effort to resolve the Dispute.
- iii. **MEDIATION.** If the Parties cannot resolve such Dispute by discussion pursuant to Section 5.b.ii above within thirty (30) calendar days after the commencement of such discussion, the matter shall be submitted to mediation by and pursuant to the procedures adopted by Dispute Prevention and Resolution, Inc. ("**DPR**") in Honolulu, Hawaii, or to any successor entity thereto, or to any other entity offering mediation services that is acceptable to the Parties.
  1. **Parties Permitted at Sessions.** Persons other than the Parties, their authorized representatives and the mediator may attend the mediation sessions only with the consent of the mediator; provided, however, such

permission and consent shall not be required to allow participation of such Parties' liability insurers in the mediation to the extent required under such Parties' liability insurance policy.

2. **Record.** There shall be no stenographic record of the mediation process.
  3. **Expenses.** The expenses of witnesses shall be paid by the Party producing such witnesses. All other expenses of the mediation including, but not limited to, the fees and costs charged by the mediator and the expenses of any witnesses, or the cost of any proof or expert advice produced at the direct request of the mediator, shall be borne equally by the Parties unless they agree otherwise. Each Party shall bear its own attorneys' fees and costs in connection with such mediation.
  4. **No Judicial Intervention.** If a Party institutes litigation prior to observing the procedures set forth in Sections 5.b.ii and 5.b.iii ("**Prohibited Litigation**"), such Party shall be responsible for all reasonable expenses and fees (including attorneys' fees) incurred by the other Party in obtaining a stay or dismissal of the Prohibited Litigation.
  5. **Confidentiality.** All negotiations, mediation proceedings, and any discovery conducted pursuant to these procedures are confidential. All proceedings conducted pursuant to these procedures shall be treated for all purposes as compromise and settlement negotiations within the meaning of Rule 408 of the Federal Rules of Evidence and Rule 408 of the Hawaii Rules of Evidence.
- iv. **FURTHER RESOLUTION.** If the Parties are unable resolve a Dispute pursuant to the procedures described in Sections 5.b.ii and 5.b.iii above, each Party shall have the right to pursue all rights and remedies available to such Party at law or in equity. If a Dispute proceeds in court, such action shall be brought exclusively in the federal or state courts located in Honolulu, Hawaii. The Parties hereby agree that the court shall apply Hawaii substantive law and applicable statutes of limitations and will honor claims of privilege recognized by law.
  - v. **STATUTES OF LIMITATION.** The applicable statute of limitations shall not be tolled, or otherwise suspended, by anything contained in these procedures. Notwithstanding the prohibition on litigation, a Party may commence an action solely for the purpose of tolling the statutes of limitation, provided such Party immediately stays the action to resolve the Dispute pursuant to the procedures described in Sections 5.b.ii and 5.b.iii above.
  - vi. **UNENFORCEABILITY.** If any part of this Section is held to be unenforceable, it shall be severed and shall not affect either the duties to mediate hereunder or any other part of this Section.
6. **Warranties.** Developer is developing the Project, but it is not the general contractor or an affiliate of the general contractor building the Project. Developer makes no warranties, express or implied, about the Units or the Project, or about consumer products or anything else installed or contained in the Units or the Project. This includes, but is not limited to, warranties of merchantability, habitability, workmanlike construction, fitness for a particular purpose, or sufficiency of design.
  7. **Commercial Director Consent Rights.** The Commercial Director (who is the Director elected to the Board by the Commercial Unit Class) has certain consent rights as to certain aspects of the Project.

8. **Smoking Limitations.** Pursuant to the House Rules for the Project, smoking within a residential unit is permitted, provided that the occupant takes reasonable steps to prevent smoke, odors, and/or fumes from infiltrating the common areas and other units of the Project. Smoking (including, without limitation, the use of smoke-less, vapor and electronic cigarettes), however, is not permitted in any commercial unit or common area of the Project, including, without limitation, the lobbies, hallways, elevators, corridors, stairwells, waiting areas, and the parking garage. In addition, smoking (including, without limitation, the use of smoke-less, vapor and electronic cigarettes) is not permitted in any limited common element appurtenant to a specific unit.
9. **Presale Contingency.** Developer has no obligation to proceed with development or building of the Project, and may cancel the purchase agreements, if Developer has not obtained binding purchase agreements to sell at least seventy-five percent (75%) of the market units in the Project and seventy-five percent (75%) of the affordable housing units in the Project on or before one hundred eighty (180) calendar days after the date of the first executed purchase agreement for the sale of a unit in the Project. If Developer elects to cancel purchase agreements, purchasers will be entitled to a full refund of all monies paid to Developer plus any interest earned thereon. Note that this presale contingency is for the benefit of Developer only, is not for the purchasers' benefit, and may be waived in Developer's sole and absolute discretion.

SEE SECTION 6 ON PAGES 19 THROUGH 19d IN THIS REPORT FOR OTHER SIGNIFICANT MATTERS AND IMPORTANT DISCLOSURES THAT SHOULD BE CAREFULLY REVIEWED BY PURCHASER.

## TABLE OF CONTENTS

	<u>Page</u>
Preparation of this Report .....	1
General Information On Condominiums .....	2
Operation of the Condominium Project.....	2
1. THE CONDOMINIUM PROJECT.....	3
1.1 The Underlying Land.....	3
1.2 Buildings and Other Improvements.....	3
1.3 Unit Types and Sizes of Units .....	3
1.4 Parking Stalls .....	4
1.5 Boundaries of the Units.....	4
1.6 Permitted Alterations to the Units .....	4
1.7 Common Interest.....	4
1.8 Recreational and Other Common Facilities .....	4
1.9 Common Elements.....	5
1.10 Limited Common Elements .....	5
1.11 Special Use Restrictions .....	5
1.12 Encumbrances Against Title .....	5
1.13 Uses Permitted by Zoning and Zoning Compliance Matters .....	6
1.14 Other Zoning Compliance Matters .....	6
1.15 Conversions .....	7
1.16 Project In Agricultural District.....	8
1.17 Project with Assisted Living Facility .....	8
2. PERSONS CONNECTED WITH THE PROJECT .....	9
2.1 Developer .....	9
2.2 Real Estate Broker .....	9
2.3 Escrow Depository .....	9
2.4 General Contractor.....	9
2.5 Condominium Managing Agent.....	9
2.6 Attorney for Developer .....	9
3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS .....	10
3.1 Declaration of Condominium Property Regime .....	10
3.2 Bylaws of the Association of Unit Owners .....	10
3.3 Condominium Map .....	10
3.4 House Rules.....	11
3.5 Changes to the Condominium Documents .....	11
3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents.....	11
4. CONDOMINIUM MANAGEMENT .....	12
4.1 Management of the Common Elements .....	12
4.2 Estimate of the Initial Maintenance Fees .....	12
4.3 Utility Charges to be Included in the Maintenance Fee .....	12
4.4 Utilities to be Separately Billed to Unit Owner .....	12
5. SALES DOCUMENTS.....	13
5.1 Sales Documents Filed with the Real Estate Commission .....	13
5.2 Sales to Owner-Occupants .....	13
5.3 Blanket Liens.....	13
5.4 Construction Warranties.....	13
5.5 Status of Construction, Date of Completion or Estimated Date of Completion .....	14



## TABLE OF CONTENTS

	<u>Page</u>
5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance .....	14
5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance .....	14
5.6.2 Purchaser Deposits Will Be Disbursed Before Closing .....	15
5.7 Rights Under the Sales Contract.....	17
5.8 Purchaser's Right to Cancel or Rescind a Sales Contract.....	17
5.8.1 Purchaser's 30-Day Right to Cancel a Sales Contract .....	17
5.8.2 Right to Cancel a Sales Contract if Completion Deadline Missed .....	18
5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change.....	18
6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT .....	19
EXHIBIT A:	Unit Numbers, Unit Types, Rental Unit Designations, Parking Stall(s), Number Of Bedrooms And Bathrooms, Approximate Net Living Areas, Approximate Net Lanai Areas, Total Approximate Net Area, Common Interest
EXHIBIT B:	Boundaries of Each Unit
EXHIBIT C:	Permitted Alterations to Units
EXHIBIT D:	Common Elements and Limited Common Elements
EXHIBIT E:	Special Use Restrictions
EXHIBIT F:	Encumbrances Against Title
EXHIBIT G:	Reserved Rights of Developer
EXHIBIT H:	Estimated Budget and Initial Maintenance Fees
EXHIBIT I:	Summary of Purchase Agreement & Deposit Receipt
EXHIBIT J:	Summary of Escrow Agreement
EXHIBIT K:	Summary of House Rules
EXHIBIT L:	Summary of Limited Warranty Unit Deed, Encumbrances and Reservation of Rights with Power of Attorney

## **General Information On Condominiums**

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. In addition, certain requirements and approvals of the county in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

If you are a typical condominium unit owner, you will have two kinds of ownership: (1) ownership in your individual unit; and (2) a percentage interest in the common elements.

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

## **Operation of the Condominium Project**

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first that the Developer will effectively control the affairs of the Association. It is frequently necessary for the Developer to do so during the early stages of development and the Developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

## 1. THE CONDOMINIUM PROJECT

### 1.1 The Underlying Land

Fee Simple or Leasehold Project	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	n/a
Address of Project	710 Sheridan Street Honolulu, Hawaii 96814
Address of Project is expected to change because	n/a
Tax Map Key (TMK)	(1) 2-3-014:002, 004 and 011
Tax Map Key is expected to change because	Individual CPR numbers will be issued for each unit, and a single parcel number may be issued for the property.
Land Area	Approximately 29,291 square feet
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	n/a

### 1.2 Buildings and Other Improvements

Number of Buildings	1 Building
Floors Per Building	26 Floors and Level 1 Mezzanine
Number of New Building(s)	1
Number of Converted Building(s)	0
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Concrete, wood, steel, glass

### 1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc.)	Total Area
See Exhibit <b>A</b>						

<b>187*</b>	<b>Total Number of Units</b>
-------------	------------------------------

\*There are 147 Residential Units, 37 Rental Units, and 3 Commercial Units.

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

#### 1.4 Parking Stalls

Total Parking Stalls in the Project:	263
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	1
Attach Exhibit A specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	
The residential parking stalls described in Exhibit "A" as Limited Common Elements appurtenant to Residential Unit 606 may eventually be reassigned to other Residential Units as Limited Common Elements by Developer. Developer also has the right to reassign Limited Common Element parking stalls between Residential Units it owns. See Exhibit "A" for more details.	

#### 1.5 Boundaries of the Units

Boundaries of the unit: See Exhibit B
---------------------------------------

#### 1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project):
See Exhibit C

#### 1.7 Common Interest

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by unit owners. The common interest for each unit in this project, as described in Declaration, is:
Described in Exhibit <u>A</u> .
As follows:

#### 1.8 Recreational and Other Common Facilities (Check if applicable)\*:

<input checked="" type="checkbox"/>	Swimming pool
<input type="checkbox"/>	Laundry Area
<input type="checkbox"/>	Storage Area
<input type="checkbox"/>	Tennis Court
<input checked="" type="checkbox"/>	Recreation Area
<input checked="" type="checkbox"/>	Trash Chute/Enclosure(s)
<input checked="" type="checkbox"/>	Exercise Room
<input type="checkbox"/>	Security Gate
<input checked="" type="checkbox"/>	Playground
<input checked="" type="checkbox"/>	Other (describe): Theater, Game Room, Lounge, BBQ Area, Kid's Area

\*These are anticipated amenities as of the date of this Developer's Public Report, and are subject to change.

### 1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.

Described in Exhibit D

Described as follows:

Common Element	Number
Elevators	4
Stairways	3
Trash Chutes	1

### 1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit D.

Described as follows:

### 1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

<input checked="" type="checkbox"/>	Pets: Certain pets are permitted in Units, subject to the limitations set forth in the Section VI.M of the Declaration and the House Rules (see Exhibit K for more information).
<input checked="" type="checkbox"/>	Number of Occupants: See Declaration, Section VI.C.3
<input checked="" type="checkbox"/>	Other: See Exhibit E; House Rules
<input type="checkbox"/>	There are no special use restrictions.

### 1.12 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit F describes the encumbrances against title contained in the title report described below.

Date of the title report: December 18, 2018

Company that issued the title report: Old Republic Title & Escrow of Hawaii, Inc.

### 1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning					
	Type of Use	No. of Units	Use Permitted by Zoning		Zoning
<input checked="" type="checkbox"/>	Residential	184	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A-2 / BMX-3
<input checked="" type="checkbox"/>	Commercial	3	<input type="checkbox"/> Yes	<input type="checkbox"/> No	A-2 / BMX-3
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Agricultural		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Other (specify)		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code.					

### 1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots
<p>In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.</p> <p>If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>

	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:</p>          
--

## 1.15 Conversions

<b>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</b>	<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable
Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units:	
Developer's statement of the expected useful life of each item reported above:	
List of any outstanding notices of uncured violations of any building code or other county regulations:	
Estimated cost of curing any violations described above:	

<b>Verified Statement from a County Official</b>	
Regarding any converted structures in the project, attached as Exhibit _____ is a verified statement signed by an appropriate county official which states that either:	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>(A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable:</p> <ul style="list-style-type: none"> <li>(i) Any variances or other permits that have been granted to achieve compliance;</li> <li>(ii) Whether the project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and</li> <li>(iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance;</li> </ul> </div> <div style="width: 10%; text-align: center;"> <p>or</p> </div> <div style="width: 45%;"> <p>(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.</p> </div> </div>	
Other disclosures and information:	

### 1.16 Project In Agricultural District

<b>Is the project in an agricultural district as designated by the land use laws of the State of Hawaii?</b> <b>If answer is "Yes", provide information below.</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? <input type="checkbox"/> Yes <input type="checkbox"/> No  If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? <input type="checkbox"/> Yes <input type="checkbox"/> No  If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information:	

### 1.17 Project with Assisted Living Facility

<b>Does the project contain any assisted living facility units subject to Section 321-11(10), HRS?</b> <b>If answer is "Yes", complete information below.</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.	
The nature and the scope of services to be provided.	
Additional costs, directly attributable to the services, to be included in the association's common expenses.	
The duration of the provision of the services.	
Other possible impacts on the project resulting from the provision of the services.	
Other disclosures and information.	



## 2. PERSONS CONNECTED WITH THE PROJECT

<b>2.1 Developer</b>	Name: Hawaii City Plaza LP  Business Address: 1585 Kapiolani Boulevard Honolulu, Hawaii 96814  Business Phone Number: (808) 800-6723 E-mail Address: eb5jay@gmail.com
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	General Partner: CALIFORNIA INVESTMENT REGIONAL CENTER LLC
<b>2.2 Real Estate Broker</b>	Name: Locations LLC  Business Address: 614 Kapahulu Avenue, Suite 200 Honolulu, Hawaii 96815  Business Phone Number: (808) 735-4200 E-mail Address: Scott.Higashi@locationshawaii.com
<b>2.3 Escrow Depository</b>	Name: Old Republic Title & Escrow of Hawaii, Ltd.  Business Address: 700 Fort Street Mall, Suite 509 Honolulu, Hawaii 96813  Business Phone Number: (808) 275-2500
<b>2.4 General Contractor</b>	Name: TBD  Business Address:  Business Phone Number:
<b>2.5 Condominium Managing Agent</b>	Name: Hawaiiana Management Company, Ltd.  Business Address: 711 Kapiolani Boulevard, Suite 700 Honolulu, Hawaii 96813  Business Phone Number: (808) 593-9100
<b>2.6 Attorney for Developer</b>	Name: Imanaka Asato, LLLC Attention: Mitchell A. Imanaka, Esq.  Business Address: 745 Fort Street, 17 <sup>th</sup> Floor Honolulu, Hawaii 96813  Business Phone Number: (808) 521-9500

### 3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

#### 3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court / BOC	9/21/2018	T-10586218 / A-69340675A-C

#### Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number

#### 3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court / BOC	9/21/2018	T-10586219 / A-69340676

#### Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

#### 3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	5880
Bureau of Conveyances Map Number	2426
Dates of Recordation of Amendments to the Condominium Map:	

### 3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "House Rules") to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the Developer. Changes to House Rules do not need to be recorded to be effective.

The House Rules for this project:

Are Proposed	<input checked="" type="checkbox"/>	
Have Been Adopted and Date of Adoption	<input type="checkbox"/>	
Developer does not plan to adopt House Rules	<input type="checkbox"/>	

### 3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.

Document	Minimum Set by Law	This Condominium
Declaration	67%	67%
Bylaws	67%	67%

### 3.6 Rights Reserved by the Developer to Make changes to the Condominium Project or Project Documents

<input type="checkbox"/>	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
<input checked="" type="checkbox"/>	<p>Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows:</p> <p>See Exhibit G</p>

## 4. CONDOMINIUM MANAGEMENT

### 4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

The Initial Condominium Managing Agent for this project is (check one):

<input checked="" type="checkbox"/>	Not affiliated with the Developer
<input type="checkbox"/>	None (self-managed by the Association)
<input type="checkbox"/>	The Developer or an affiliate of the Developer
<input type="checkbox"/>	Other (explain)

### 4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit   H   contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

### 4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:

<input checked="" type="checkbox"/>	Electricity for the common elements
<input checked="" type="checkbox"/>	Gas for the common elements (BBQ Areas)
<input checked="" type="checkbox"/>	Water
<input checked="" type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV cable
<input checked="" type="checkbox"/>	Other (specify) Telephone services for elevators, entry/exit gates, alarm monitoring, security office and Activity Deck

### 4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:

<input checked="" type="checkbox"/>	Electricity for the Unit only
<input checked="" type="checkbox"/>	Gas for the Unit only
<input checked="" type="checkbox"/>	Water
<input checked="" type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV cable
<input checked="" type="checkbox"/>	Other (specify) Premium internet/phone/cable services or packages

## 5. SALES DOCUMENTS

### 5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u>I</u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: September 19, 2018 Name of Escrow Company: Old Republic Title & Escrow of Hawaii, Ltd. Exhibit <u>J</u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other

### 5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

<input checked="" type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit _____.
<input checked="" type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.

### 5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

<input checked="" type="checkbox"/>	There are no blanket liens affecting title to the individual units.
<input type="checkbox"/>	There are blanket liens that may affect title to the individual units.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance

### 5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:

Building and Other Improvements: See Page 13a

Appliances: See Page 13a

**Building and Other Improvements:**

Developer makes no warranties or representations about the condition of the Units and the Project, except as may be otherwise provided in the Unit Deeds (relating to warranties of title) and in the Purchase Agreement. Upon closing, Developer shall assign to Owner any and all warranties given to Developer by the general contractor for the Project (the "Contractor") and by any subcontractor or materialmen, including the Contractor's guarantee of materials and workmanship against faulty or deficient materials installed, for a period of one (1) year after "Substantial Completion" of the Unit, as defined in the construction contract for the Project. Developer will make no other warranties, express or implied, with respect to the design, condition, workmanship, materials, value or use of the Project, the Unit or any common elements or anything thereon or therein.

Developer will also pass on extended warranties it receives from the Contractor and its suppliers, if any.

**Appliances:**

Developer is not the manufacturer of the furnishings and appliances that will be included with any Unit and disclaims any express or implied warranty of any kind whatsoever with respect to such furnishings and appliances, including the merchantability of such furnishings and appliances or their fitness for any particular purpose. Developer will pass on any existing manufacturer's or dealer's warranties covering such furnishings and appliances to the extent that such warranties are transferable to the Purchaser.

## 5.5 Status of Construction, Date of Completion or Estimated Date of Completion

Status of Construction: Developer has not yet commenced construction.

Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.

Completion Deadline for any unit not yet constructed, as set forth in the sales contract:

Developer shall complete construction of the Unit covered by a sales contract so as to provide normal occupancy of the Unit within five (5) years from the date the sales contract becomes binding.

Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:

## 5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

<input type="checkbox"/>	<p>Spatial Units. The Developer hereby declares by checking the box to the left that it offering spatial units for sale and will not be using purchasers' deposits to pay for any costs to pay for project construction or to complete the project.</p> <p>Should the developer be using purchaser's deposits to pay for any project construction costs or to complete the project including lease payments, real property taxes, architectural, engineering, legal fees, financing costs; or costs to cure violations of county zoning and building ordinances and codes or other incidental project expenses, the Developer has to meet certain requirements, described below in 5.6.1 or 5.6.2.</p>
--------------------------	--

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

### 5.6.1 Purchaser Deposits Will Not be Disbursed Before Closing or Conveyance

<input type="checkbox"/>	<p>The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project.</p> <p>If this box is checked, Section 5.6.2, which follows below, will not be applicable to the project.</p>
--------------------------	---

### 5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
<input checked="checked" type="checkbox"/>	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or
<input type="checkbox"/>	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.



In connection with the use of purchaser deposits (check Box A or Box B):

<p><b>Box A</b></p> <p><input type="checkbox"/></p>	<p>The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>If Box A is checked, you should read and carefully consider the following notice, which is required by law:</p> <p><b>Important Notice Regarding Your Deposits: Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.</b></p>
<p><b>Box B</b></p> <p><input checked="" type="checkbox"/></p>	<p>The Developer has <u>not</u> submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits.</p> <p>If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the <b>Important Notice Regarding Your Deposits</b> set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, <b>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</b> (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>You should understand that, although the <b>Important Notice Regarding Your Deposits</b> set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.</p>

**Material House Bond.** If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

## 5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.

- |    |  |
|----|--|
| 1. | <b>Developer's Public Report</b>   |
| 2. | <b>Declaration of Condominium Property Regime (and any amendments)</b>   |
| 3. | <b>Bylaws of the Association of Unit Owners (and any amendments)</b>   |
| 4. | <b>Condominium Map (and any amendments)</b>  |
| 5. | House Rules, if any  |
| 6. | Escrow Agreement   |
| 7. | Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted. |
| 8. | Other:   |

Copies of the condominium and sales documents and amendments made by the Developer are available for review through the Developer or through the Developer's sales agent, if any. The Condominium Property Regime law (Chapter 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:

Website to access official copy of laws: [www.capitol.hawaii.gov](http://www.capitol.hawaii.gov)

Website to access rules: [www.hawaii.gov/dcca/har](http://www.hawaii.gov/dcca/har)

## 5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

### 5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

(1) The purchaser has signed the sales contract.

(2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.

(3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.

(4) The purchaser does at least one of the following:

(a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.

#### **5.8.2 Right to Cancel a Sales Contract if Completion Deadline is Missed**

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.00.

#### **5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change**

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

- (1) Checking the waiver box on the rescission form; or
- (2) Letting the 30-day rescission period expire, without taking any action to rescind; or
- (3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

## 6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

Unless otherwise defined, capitalized terms used herein shall have the meanings set forth in the Declaration or the Bylaws, as applicable.

1. **Common Expenses; Developer May Pay Actual Costs of Project.** Developer hereby discloses that it may initially assume the actual common expenses of the Project, pursuant to Section 514B-41(b) of the Hawaii Revised Statutes, from the date upon which the certificates of occupancy are issued for the units within the Project. Owners shall not be obligated for the payment of their share of the common expenses until such time as Developer sends to the Owners a written notice that, after a specified date, the Owners shall be obligated to pay for the portion of common expenses that are allocated to their respective units.
2. **Real Property Tax Assessment.** Developer shall be responsible for any real property taxes attributable to the property prior to closing. Any real property taxes paid in advance by Developer shall be prorated as a closing cost payable by purchaser pursuant to the sales contract for the purchase of a unit.
3. **The Commercial Units; Operations of Commercial Units.** The Commercial Units are located on level 1 of the Tower. Developer may own some or all of the Commercial Units and lease them to third parties for commercial and retail activities that may be open to and accessible by the public. It is not guaranteed that the Commercial Units will continue to be used as retail space and/or be open for access by the public and/or other Owners. The Commercial Unit Owner(s) may subdivide the Commercial Units into multiple Units pursuant to its/their right to do so in the Declaration. The Commercial Unit Owner(s) may change the use of the Commercial Units at its/their discretion, subject to any limitations set forth in the Declaration.
4. **Commercial Limited Common Elements and Residential Limited Common Elements.** The Commercial Units, their undivided interest in the Common Elements, and the Limited Common Elements solely appurtenant to the Commercial Units, as set forth in Exhibit "E" attached hereto, shall comprise the "commercial portion" of the Project. The Residential Units and the Rental Units, their undivided interest in the Common Elements, and the Limited Common Elements solely appurtenant to the Residential Units and the Rental Unit, as set forth in Exhibit "E" attached hereto, shall comprise the "residential portion" of the Project. The Residential Unit Owners and Rental Unit Owners shall generally maintain the residential portion and have the use of the areas that are Limited Common Elements appurtenant to the Residential Units and the Rental Units described in Exhibit "E" and designated on the Condominium Map, and the Commercial Unit Owners shall generally maintain the commercial portion and have the use of the Limited Common Elements appurtenant to the Commercial Units described in Exhibit "E" and designated on the Condominium Map, unless otherwise specified in the Declaration.

The Residential Unit Class, comprised of all the Residential Unit Owners, is responsible for sharing in the cost and in making decisions for the Limited Common Elements solely appurtenant to the Residential Units based on their Residential Unit Class Common Interest set forth in Exhibit "A." The Rental Unit Class, comprised of all the Rental Unit Owners, is responsible for sharing in the cost and in making decisions for the Limited Common Elements solely appurtenant to the Rental Units based on their Rental Unit Class Common Interest set forth in Exhibit "A." The Commercial Unit Class, comprised of all the Commercial Unit Owners, is responsible for sharing in the cost and in making decisions for the Limited Common Elements solely appurtenant to the Commercial Units based on their Commercial Class Common Interest set forth in Exhibit "A." The Class Common Interest is not an ownership interest, but rather an interest used to calculate each Owner's share of costs attributable to each class and allocation of voting interest on matters affecting the class. In addition, there are certain approval and consent rights held by the Commercial Director for certain improvements and alterations in order to ensure that the Project continues to meet the Project Quality Standard. The purchaser should make careful review of the

Declaration and Bylaws to understand such consent and approval rights of the Commercial Director.

5. **Special Cost and Alternative Allocation for Common Expenses; Other Costs.** According to HRS §514B-41, as amended, in a mixed-use project, Common Expenses may be allocated among the commercial units, residential units and rental units in a fair and equitable manner. The Declaration creates the concept of "Alternative Allocations" by which certain "Special Costs" are shared between the Residential Unit Class, Rental Unit Class and the Commercial Unit Class, then shared among the individual Owners through their Residential Unit Class Common Interest, Rental Unit Class Common Interest and Commercial Unit Class Common Interests, set forth in Exhibit "A." The Class Common Interest is not an ownership interest, but rather an interest used to calculate each Owner's share of the Residential Unit Class Expense, Rental Unit Class Expense and Commercial Unit Class Expense (in addition to voting interests for class issues).

Pursuant to the Declaration, if any services are provided to or if any costs are incurred for any Common Element where the respective direct allocation of such costs between Common Elements, Limited Common Elements appurtenant to all Residential Units and/or all Rental Units, and Limited Common Elements appurtenant to all Commercial Units are not readily determinable by separate meters or separate billing by vendors, the Board shall request the vendor of the services to segregate the billings as between the Common Elements, Limited Common Elements appurtenant to all Residential Units and/or all Rental Units, and Limited Common Elements appurtenant to all Commercial Units. If the vendor is unable to or refuses to meter usage or allocate costs, then the Board may unanimously agree to an Alternative Allocation of such Special Costs between the Commercial Unit Class, Residential Unit Class, and Rental Unit Class. In arriving at such agreement, the Board may engage the services of a professional engineer or other professional to provide his/her opinion of a fair allocation.

Also, there may be other costs that are allocated based on efficiency and equity, rather than by a strict Common Interest or other allocation. For instance, there may be certain Limited Common Elements that are visible to and, in some cases, utilized by the general public, including customers of the Commercial Units. These areas may be maintained by the Commercial Director, in order to be consistent with the Project Quality Standard, and certain costs arising therefrom shall be shared by the Residential Unit Class, Rental Unit Class and Commercial Unit Class as Common Expenses. Purchasers should carefully review the Declaration and the estimated Budget and Initial Maintenance Fees in Exhibit "H" herein to understand the allocation of such equitable fees and costs.

6. **Security Disclaimer.** The Association and/or the Resident Manager, if any, may, but shall not be obligated to, maintain or support certain activities within the Project designed to make the Project safer than it might otherwise be. Neither the Association, the Resident Manager, if any, nor Developer shall in any way be considered insurers or guarantors of security within the Project, and neither the Association, the Resident Manager, if any, Developer, nor any successor Developer shall be held liable for any loss or damage by reason of failure to provide security or the ineffectiveness of security measures undertaken. All Owners and Occupants of any Unit, as applicable, acknowledge that the Association, the Board, the Resident Manager, if any, Developer or any successor Developer, do not represent or warrant that any fire protection system or other security system designed or installed according to the guidelines established by Developer or the Association may not be compromised or circumvented, that any fire protection or burglar alarm systems or other security systems will prevent loss by fire, smoke, burglary, theft, hold-up, terrorism, or otherwise, nor that fire protection or burglar alarm systems or other security systems will in all cases provide the detection or protection for which the system was designed or intended. Each Owner and the Occupants of a Unit acknowledge and understand that the Resident Manager, the Association, its Board and committees, Developer, and any other successor to Developer is not an insurer, and each Owner and the Occupants of a Unit assume all risks for loss or damage to persons, Units and the contents of Units, and further acknowledges that the Resident Manager, the Association, its Board and committees, Developer, or any

successor Developer have made no representations or warranties nor has any Owner or the Occupants of a Unit relied upon any representation or warranty, expressed or implied, including any warranty of merchantability as to the fitness of any alarm systems or other security systems recommended or installed, or any security measure undertaken within the Project.

7. **Nonliability for Living Area Calculation.** There are various methods for calculating the living area of a unit and, depending on the method of calculation, the quoted living area of a unit is approximate and may vary by more than a nominal amount. Additionally, as a result of field construction, other permitted changes to a unit, and settling and shifting of improvements, actual living area of a unit may also be affected. By accepting title to a unit, the applicable Owner(s) shall be deemed to have conclusively agreed to accept the size and dimensions of the unit, regardless of any reasonable variances in the living area from that which may have been disclosed at any time prior to closing, whether included as part of Developer's promotional materials or otherwise. Developer does not make any representation or warranty as to the actual size, dimensions (including ceiling heights), or square footage of any unit.
8. **Nonliability for Mold Development.** Mold and mold spores are present throughout the environment and residential condominium construction cannot practicably be designed to exclude the introduction of mold spores. All molds are not necessarily harmful, but certain strains of mold have been found to have adverse health effects on susceptible persons. Moisture is the primary mold growth factor that must be addressed. Developer cannot ensure that mold and mold spores will not be present in the Project. The failure of an Owner or the Association to take steps to minimize mold growth may increase the risk of mold growth and mold spores being present in the Project. Developer shall not be liable for any actual, special, incidental, or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence, or any other legal theory, with respect to the presence and/or existence of molds, mildew, and/or microscopic spores at the Project, unless caused by the sole gross negligence or willful misconduct of Developer.
9. **Condominium Living; Residential-Commercial Mixed-Use Retail Area.** Living in a multi-story, mixed-use, high-rise condominium building entails living in very close proximity to other persons, businesses, restaurants, and shopping areas, with attendant limitations on solitude and privacy. Walls, floors, and ceilings have been designed to meet applicable building codes. Owners will hear noise from adjacent units within the Project, however, including, but not limited to, noise from showers, bathtubs, sinks, toilets, washing machines, or other sources of running water and/or plumbing fixtures. Also, Owners may hear noise from such items as vacuum cleaners, stereos or televisions, or from people running, walking, exercising, socializing, or enjoying the Recreational Amenities. Finally, Owners can expect to hear substantial levels of sound, music, noise, odors, vibrations, and other nuisances from retail and commercial establishments in the Project, and/or in the vicinity of the Project. Owners may also experience light entering the units from commercial lighting in the vicinity and from street lights located in close proximity to the windows and doors of the units.
10. **Noise; Traffic.** Being located in a central shopping, entertainment, and commuter district, noise, dust, vibration, and/or pedestrian and vehicular traffic are higher than average in the vicinity of the Project. Each Owner and every other Person who has any interest in the Project or who has the right to use the Project or any part of it waives, releases, and discharges any rights, claims, or actions that such Person may have, now or in the future, against Developer, and its Representatives, licensees, successors, and assigns, and arising directly or indirectly out of or from such noise, dust, vibrations, and/or additional traffic. Traffic, noises, and uses which are typically encountered in a high-rise condominium commercial-residential mixed-use setting, include, but are not limited to (a) transient noise and guest or pedestrian traffic from the street or the Limited Common Elements appurtenant to the Commercial Units or neighboring properties; (b) opening and closing of doors; (c) loud music from restaurants or other outlets, concert events, or performances; (d) vehicular traffic from the street; (e) voices of people talking outside retail and/or food and beverage establishments; and (f) noises from special events taking place near

the Project. Such noise shall not be deemed a "nuisance", as such noises and/or uses are deemed to be common and accepted occurrences in a centrally located high-rise condominium mixed-use setting. Furthermore, normal construction activities shall not be considered a "nuisance". By accepting a deed to a Unit, an Owner acknowledges that the Project is adjacent to high-traffic roads, businesses, and retail/entertainment facilities, and that noise, lights, and odors common to such activities and related commercial activities as well as construction activities, may exist on or near the Project, at any time and from time to time. Each Owner, by acceptance of a deed or other conveyance of his or her Unit, hereby acknowledges and agrees that sound transmission in a high-rise building such as the Tower is very difficult to control. Developer does not make any representation or warranty as to the level of sound transmission at the Project, and each Owner waives and expressly releases any claim for loss or damage resulting from such sound transmission.

11. **Continuing Activities.** Each Owner understands and agrees that Developer is engaged in a sales and development program and that certain elements of the Project may not be completed and completion of the improvement of such items may be deferred by Developer at its sole and absolute option; provided normal access and parking facilities are provided for the units conveyed to third parties. As an integrated structure consisting of a variety of uses that may be changed from time to time, alterations, construction, remodeling, repair, and changes of uses within portions of the Property may occur from time to time.
12. **Use Changes.** Except as expressly set forth in the Condominium Documents, Developer makes no representations or warranties with respect to the (a) nature of any improvements to be initially or subsequently contained in the Project, (b) the initial or subsequent uses of any portion of the Project, or (c) the services and amenities (and the costs of such services or amenities) which may be provided to Owners.
13. **Marketing Materials.** Any marketing materials used by Developer in the promotion and sales of the Residential Units and of the Project shall not be a representation or warranty by Developer of the Residential Unit layout, décor, coloring, furnishings, or fixtures provided with the unit, or the types of amenities provided in the Project. The marketing materials are intended to give a purchaser a general idea of the standard and quality of the Project, and are not intended to represent the precise décor, coloring, furnishing, fixtures, or amenities that will be included in the Project.
14. **Condominium Map.** Nothing in the Condominium Map is intended to be or is a representation or warranty by Developer. Typical type floor plans may have slight deviations as to the location of columns in the unit, doors, and fixtures. The layout and areas of the units with typical depictions are intended to be consistent.
15. **Flood Zone (X); Tsunami Evacuation Zone.** The Project is located in a Flood Zone (X) and federal flood insurance is not required for the Project.
16. **Use of Developer-Owned Units.** Except for the Rental Units used to fulfill the requirements of the Permit, Units owned by Developer are exempt from the use restrictions set forth in the Declaration and, accordingly, may be used for any lawful purpose. This may impact other units in the Project to the extent that such use is found objectionable.
17. **Location of Units Near the Activity Deck.** Certain units located on or near the sixth (6th) level of the Tower are located in close proximity to the Activity Deck, which is located on the sixth (6th) level of the Tower. As a result, such units may be exposed to greater noise and other nuisances than the units located on other levels of the Tower.
18. **Neighboring Developments.** Certain portions of the land outside, abutting and/or near the Project ("Neighboring Developments") may be subject to development or redevelopment, and in the future, may or will be developed by third parties over whom Developer has no control. The

Association and Developer have no jurisdiction over future Neighboring Developments, and, accordingly, there is no representation as to the nature, use or jurisdiction over future Neighboring Developments, and, accordingly, there is no representation as to the nature, use or architecture of any future development or improvements on Neighboring Developments. Any such use, development and/or construction on Neighboring Developments may result in noise, dust, or other "nuisance" to the Project owners, and Purchaser acknowledges the same

19. **Views.** Pursuant to the Declaration, each Purchaser/Owner acknowledges that there are no protected views in the Project, and the Units are not assured the existence or unobstructed continuation of any particular view. Any view from a Unit is not intended as part of the value of the Unit, and is not guaranteed, and Developer makes no representation or warranty regarding the effect of the view on the value of a Unit. The views from a Unit or portion of Project may likely change, be affected, or obstructed by (i) construction or installation of buildings, improvements, structures, walls and/or landscaping by Developer or owners of property adjacent to or near the Project; and/or (ii) the growth of trees, landscaping and/or vegetation within or outside the Project, and each Purchaser consents to such view impairment. By signing and accepting a Unit Deed, Purchaser will waive, release and discharge any rights, claims or actions that such person may have, now or in the future, against Developer and its representatives, licensees, successors and assigns, and arising directly or indirectly out of or from any such change or obstruction of views by reason of such further development.
20. **Marketing Materials.** Any marketing materials used by Developer in the promotion and sales of the units and of the Project shall not be a representation or warranty by Developer of any unit layout, décor, coloring, furnishings or fixtures provided with any Unit or the types of amenities provided in the Project. The marketing materials are intended to give prospective purchasers a general idea of the standard and quality of the Project, and are not intended to represent the precise décor, coloring, furnishing, fixtures or amenities that will be included in the Project.



**The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.**

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report and the exhibits attached to this report and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

\_\_\_\_\_  
Hawaii City Plaza LP

Printed Name of Developer

By: \_\_\_\_\_

Duly Authorized Signatory\*

\_\_\_\_\_  
1/7/2019

Date

\_\_\_\_\_  
Zhe Fang, Manager

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

**\*Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

**EXHIBIT "A"**

**UNIT NUMBERS, UNIT TYPES, RENTAL UNIT DESIGNATIONS, PARKING STALL(S),  
NUMBER OF BEDROOMS AND BATHROOMS, APPROXIMATE NET LIVING AREAS,  
APPROXIMATE NET LANAI AREAS, TOTAL APPROXIMATE NET AREA, COMMON INTEREST**

Unit Number	Unit Type	Rental Unit Designation	Parking Stall(s)	Bedrooms/ Bathrooms	Approx. Net Living Area (square feet)	Approx. Net Lanai Area (square feet)	Total Approx. Net Area (square feet)	Common Interest
605	B1			2/2	989	549	1,538	0.658736%
606	A4	X		1/1	653	360	1,013	0.434936%
607	A5			1/1	653	353	1,006	0.434939%
608	C1			2/2	798	700	1,498	0.531518%
701	E	X		2/2	917	85	1,002	0.610780%
702	G	X		1/1	607	86	693	0.404300%
703	H	X		2/1	926	55	981	0.616774%
704	A3	X		1/1	653	55	708	0.434939%
705	B	X		2/2	989	61	1,050	0.658736%
706	A1	X		1/1	653	55	708	0.434939%
707	A2	X		1/1	653	55	708	0.434939%
708	C	X		2/2	798	44	842	0.531518%
709	D	X		2/2	811	89	900	0.540177%
801	E	X		2/2	917	85	1,002	0.610780%
802	G	X		1/1	607	86	693	0.404300%
803	H	X		2/1	926	55	981	0.616774%
804	A3	X		1/1	653	55	708	0.434939%
805	B	X		2/2	989	61	1,050	0.658736%
806	A1	X		1/1	653	55	708	0.434939%
807	A2	X		1/1	653	55	708	0.434939%
808	C	X		2/2	798	44	842	0.531518%
809	D	X		2/2	811	89	900	0.540177%
901	E	X		2/2	917	85	1,002	0.610780%
902	G	X		1/1	607	86	693	0.404300%
903	H	X		2/1	926	55	981	0.616774%
904	A3	X		1/1	653	55	708	0.434939%
905	B	X		2/2	989	61	1,050	0.658736%
906	A1	X		1/1	653	55	708	0.434939%
907	A2	X		1/1	653	55	708	0.434939%
908	C	X		2/2	798	44	842	0.531518%
909	D	X		2/2	811	89	900	0.540177%
1001	E	X		2/2	917	85	1,002	0.610780%
1002	G	X		1/1	607	86	693	0.404300%
1003	H	X		2/1	926	55	981	0.616774%
1004	A3	X		1/1	653	55	708	0.434939%
1005	B	X		2/2	989	61	1,050	0.658736%
1006	A1	X		1/1	653	55	708	0.434939%
1007	A2	X		1/1	653	55	708	0.434939%

**EXHIBIT "A"**  
(Page 1 of 10)

Unit Number	Unit Type	Rental Unit Designation	Parking Stall(s)	Bedrooms/ Bathrooms	Approx. Net Living Area (square feet)	Approx. Net Lanai Area (square feet)	Total Approx. Net Area (square feet)	Common Interest
1008	C	X		2/2	798	44	842	0.531518%
1009	D	X		2/2	811	89	900	0.540177%
1101	E			2/2	917	85	1,002	0.610780%
1102	G			1/1	607	86	693	0.404300%
1103	H			2/1	926	55	981	0.616774%
1104	A3			1/1	653	55	708	0.434939%
1105	B			2/2	989	61	1,050	0.658736%
1106	A1			1/1	653	55	708	0.434939%
1107	A2			1/1	653	55	708	0.434939%
1108	C			2/2	798	44	842	0.531518%
1109	D			2/2	811	89	900	0.540177%
1201	E			2/2	917	85	1,002	0.610780%
1202	G			1/1	607	86	693	0.404300%
1203	H			2/1	926	55	981	0.616774%
1204	A3			1/1	653	55	708	0.434939%
1205	B			2/2	989	61	1,050	0.658736%
1206	A1			1/1	653	55	708	0.434939%
1207	A2			1/1	653	55	708	0.434939%
1208	C			2/2	798	44	842	0.531518%
1209	D			2/2	811	89	900	0.540177%
1401	E			2/2	917	85	1,002	0.610780%
1402	G			1/1	607	86	693	0.404300%
1403	H			2/1	926	55	981	0.616774%
1404	A3			1/1	653	55	708	0.434939%
1405	B			2/2	989	61	1,050	0.658736%
1406	A1			1/1	653	55	708	0.434939%
1407	A2			1/1	653	55	708	0.434939%
1408	C			2/2	798	44	842	0.531518%
1409	D			2/2	811	89	900	0.540177%
1501	E			2/2	917	85	1,002	0.610780%
1502	G			1/1	607	86	693	0.404300%
1503	H			2/1	926	55	981	0.616774%
1504	A3			1/1	653	55	708	0.434939%
1505	B			2/2	989	61	1,050	0.658736%
1506	A1			1/1	653	55	708	0.434939%
1507	A2			1/1	653	55	708	0.434939%
1508	C			2/2	798	44	842	0.531518%
1509	D			2/2	811	89	900	0.540177%
1601	E			2/2	917	85	1,002	0.610780%
1602	G			1/1	607	86	693	0.404300%
1603	H			2/1	926	55	981	0.616774%
1604	A3			1/1	653	55	708	0.434939%
1605	B			2/2	989	61	1,050	0.658736%
1606	A1			1/1	653	55	708	0.434939%

**EXHIBIT "A"**  
(Page 2 of 10)

Unit Number	Unit Type	Rental Unit Designation	Parking Stall(s)	Bedrooms/ Bathrooms	Approx. Net Living Area (square feet)	Approx. Net Lanai Area (square feet)	Total Approx. Net Area (square feet)	Common Interest
1607	A2			1/1	653	55	708	0.434939%
1608	C			2/2	798	44	842	0.531518%
1609	D			2/2	811	89	900	0.540177%
1701	E			2/2	917	85	1,002	0.610780%
1702	G			1/1	607	86	693	0.404300%
1703	H			2/1	926	55	981	0.616774%
1704	A3			1/1	653	55	708	0.434939%
1705	B			2/2	989	61	1,050	0.658736%
1706	A1			1/1	653	55	708	0.434939%
1707	A2			1/1	653	55	708	0.434939%
1708	C			2/2	798	44	842	0.531518%
1709	D			2/2	811	89	900	0.540177%
1801	E			2/2	917	85	1,002	0.610780%
1802	G			1/1	607	86	693	0.404300%
1803	H			2/1	926	55	981	0.616774%
1804	A3			1/1	653	55	708	0.434939%
1805	B			2/2	989	61	1,050	0.658736%
1806	A1			1/1	653	55	708	0.434939%
1807	A2			1/1	653	55	708	0.434939%
1808	C			2/2	798	44	842	0.531518%
1809	D			2/2	811	89	900	0.540177%
1901	E			2/2	917	85	1,002	0.610780%
1902	G			1/1	607	86	693	0.404300%
1903	H			2/1	926	55	981	0.616774%
1904	A3			1/1	653	55	708	0.434939%
1905	B			2/2	989	61	1,050	0.658736%
1906	A1			1/1	653	55	708	0.434939%
1907	A2			1/1	653	55	708	0.434939%
1908	C			2/2	798	44	842	0.531518%
1909	D			2/2	811	89	900	0.540177%
2001	E			2/2	917	85	1,002	0.610780%
2002	G			1/1	607	86	693	0.404300%
2003	H			2/1	926	55	981	0.616774%
2004	A3			1/1	653	55	708	0.434939%
2005	B			2/2	989	61	1,050	0.658736%
2006	A1			1/1	653	55	708	0.434939%
2007	A2			1/1	653	55	708	0.434939%
2008	C			2/2	798	44	842	0.531518%
2009	D			2/2	811	89	900	0.540177%
2101	E			2/2	917	85	1,002	0.610780%
2102	G			1/1	607	86	693	0.404300%
2103	H			2/1	926	55	981	0.616774%
2104	A3			1/1	653	55	708	0.434939%
2105	B			2/2	989	61	1,050	0.658736%
2106	A1			1/1	653	55	708	0.434939%

**EXHIBIT "A"**  
(Page 3 of 10)

Unit Number	Unit Type	Kental Unit Designation	Parking Stall(s)	Bedrooms/ Bathrooms	Approx. Net Living Area (square feet)	Approx. Net Lanai Area (square feet)	Total Approx. Net Area (square feet)	Common Interest
2107	A2			1/1	653	55	708	0.434939%
2108	C			2/2	798	44	842	0.531518%
2109	D			2/2	811	89	900	0.540177%
2201	E			2/2	917	85	1,002	0.610780%
2202	G			1/1	607	86	693	0.404300%
2203	H			2/1	926	55	981	0.616774%
2204	A3			1/1	653	55	708	0.434939%
2205	B			2/2	989	61	1,050	0.658736%
2206	A1			1/1	653	55	708	0.434939%
2207	A2			1/1	653	55	708	0.434939%
2208	C			2/2	798	44	842	0.531518%
2209	D			2/2	811	89	900	0.540177%
2301	E			2/2	917	85	1,002	0.610780%
2302	G			1/1	607	86	693	0.404300%
2303	H			2/1	926	55	981	0.616774%
2304	A3			1/1	653	55	708	0.434939%
2305	B			2/2	989	61	1,050	0.658736%
2306	A1			1/1	653	55	708	0.434939%
2307	A2			1/1	653	55	708	0.434939%
2308	C			2/2	798	44	842	0.531518%
2309	D			2/2	811	89	900	0.540177%
2401	E			2/2	917	85	1,002	0.610780%
2402	G			1/1	607	86	693	0.404300%
2403	H			2/1	926	55	981	0.616774%
2404	A3			1/1	653	55	708	0.434939%
2405	B			2/2	989	61	1,050	0.658736%
2406	A1			1/1	653	55	708	0.434939%
2407	A2			1/1	653	55	708	0.434939%
2408	C			2/2	798	44	842	0.531518%
2409	D			2/2	811	89	900	0.540177%
2501	E			2/2	917	85	1,002	0.610780%
2502	G			1/1	607	86	693	0.404300%
2503	H			2/1	926	55	981	0.616774%
2504	A3			1/1	653	55	708	0.434939%
2505	B			2/2	989	61	1,050	0.658736%
2506	A1			1/1	653	55	708	0.434939%
2507	A2			1/1	653	55	708	0.434939%
2508	C			2/2	798	44	842	0.531518%
2509	D			2/2	811	89	900	0.540177%
2601	E			2/2	917	85	1,002	0.610780%
2602	G			1/1	607	86	693	0.404300%
2603	H			2/1	926	55	981	0.616774%
2604	A3			1/1	653	55	708	0.434939%
2605	B			2/2	989	61	1,050	0.658736%
2606	A1			1/1	653	55	708	0.434939%

**EXHIBIT "A"**  
(Page 4 of 10)

Unit Number	Unit Type	Rental Unit Designation	Parking Stall(s)	Bedrooms/Bathrooms	Approx. Net Living Area (square feet)	Approx. Net Lanai Area (square feet)	Total Approx. Net Area (square feet)	Common Interest
2607	A2			1/1	653	55	708	0.434939%
2608	C			2/2	798	44	842	0.531518%
2609	D			2/2	811	89	900	0.540177%
2701	E			2/2	917	85	1,002	0.610780%
2702	G			1/1	607	86	693	0.404300%
2703	H			2/1	926	55	981	0.616774%
2704	A3			1/1	653	55	708	0.434939%
2705	B			2/2	989	61	1,050	0.658736%
2706	A1			1/1	653	55	708	0.434939%
2707	A2			1/1	653	55	708	0.434939%
2708	C			2/2	798	44	842	0.531518%
2709	D			2/2	811	89	900	0.540177%
Commercial Unit 1 (or CU-1)					2,520		2,520	1.678478%
Commercial Unit 2 (or CU-2)					1,661		1,661	1.106330%
Commercial Unit 3 (or CU-3)					2,722		2,722	1.813023%
<b>TOTAL</b>					<b>150,136</b>	<b>13,662</b>	<b>163,798</b>	<b>100.000000%</b>

NOTE: DUE TO STRUCTURAL VARIATIONS, NOT ALL UNITS OF THE SAME UNIT TYPE ARE IDENTICAL, AND ACCORDINGLY, THE APPROXIMATE NET LIVING AREA AND APPROXIMATE NET LANAI AREA MAY VARY AMONG UNITS OF THE SAME UNIT TYPE.

**A. RESIDENTIAL UNITS CLASS COMMON INTEREST**

(The following listed units are "Residential Units" for purposes of the Declaration.)

Unit Number	Approx. Net Living Area (square feet)	Class Common Interest
605	989	0.863358%
607	653	0.570047%
608	798	0.696627%
1101	917	0.800510%
1102	607	0.529890%
1103	926	0.808367%
1104	653	0.570047%
1105	989	0.863363%
1106	653	0.570047%
1107	653	0.570047%
1108	798	0.696627%
1109	811	0.707975%
1201	917	0.800510%
1202	607	0.529890%
1203	926	0.808367%
1204	653	0.570047%
1205	989	0.863363%

<b>Unit Number</b>	<b>Approx. Net Living Area (square feet)</b>	<b>Class Common Interest</b>
1206	653	0.570047%
1207	653	0.570047%
1208	798	0.696627%
1209	811	0.707975%
1401	917	0.800510%
1402	607	0.529890%
1403	926	0.808367%
1404	653	0.570047%
1405	989	0.863363%
1406	653	0.570047%
1407	653	0.570047%
1408	798	0.696627%
1409	811	0.707975%
1501	917	0.800510%
1502	607	0.529890%
1503	926	0.808367%
1504	653	0.570047%
1505	989	0.863363%
1506	653	0.570047%
1507	653	0.570047%
1508	798	0.696627%
1509	811	0.707975%
1601	917	0.800510%
1602	607	0.529890%
1603	926	0.808367%
1604	653	0.570047%
1605	989	0.863363%
1606	653	0.570047%
1607	653	0.570047%
1608	798	0.696627%
1609	811	0.707975%
1701	917	0.800510%
1702	607	0.529890%
1703	926	0.808367%
1704	653	0.570047%
1705	989	0.863363%
1706	653	0.570047%
1707	653	0.570047%
1708	798	0.696627%
1709	811	0.707975%
1801	917	0.800510%
1802	607	0.529890%
1803	926	0.808367%
1804	653	0.570047%
1805	989	0.863363%
1806	653	0.570047%
1807	653	0.570047%
1808	798	0.696627%

**EXHIBIT "A"**  
(Page 6 of 10)

<b>Unit Number</b>	<b>Approx. Net Living Area (square feet)</b>	<b>Class Common Interest</b>
1809	811	0.707975%
1901	917	0.800510%
1902	607	0.529890%
1903	926	0.808367%
1904	653	0.570047%
1905	989	0.863363%
1906	653	0.570047%
1907	653	0.570047%
1908	798	0.696627%
1909	811	0.707975%
2001	917	0.800510%
2002	607	0.529890%
2003	926	0.808367%
2004	653	0.570047%
2005	989	0.863363%
2006	653	0.570047%
2007	653	0.570047%
2008	798	0.696627%
2009	811	0.707975%
2101	917	0.800510%
2102	607	0.529890%
2103	926	0.808367%
2104	653	0.570047%
2105	989	0.863363%
2106	653	0.570047%
2107	653	0.570047%
2108	798	0.696627%
2109	811	0.707975%
2201	917	0.800510%
2202	607	0.529890%
2203	926	0.808367%
2204	653	0.570047%
2205	989	0.863363%
2206	653	0.570047%
2207	653	0.570047%
2208	798	0.696627%
2209	811	0.707975%
2301	917	0.800510%
2302	607	0.529890%
2303	926	0.808367%
2304	653	0.570047%
2305	989	0.863363%
2306	653	0.570047%
2307	653	0.570047%
2308	798	0.696627%
2309	811	0.707975%
2401	917	0.800510%
2402	607	0.529890%

**EXHIBIT "A"**  
**(Page 7 of 10)**



<b>Unit Number</b>	<b>Approx. Net Living Area (square feet)</b>	<b>Class Common Interest</b>
2403	926	0.808367%
2404	653	0.570047%
2405	989	0.863363%
2406	653	0.570047%
2407	653	0.570047%
2408	798	0.696627%
2409	811	0.707975%
2501	917	0.800510%
2502	607	0.529890%
2503	926	0.808367%
2504	653	0.570047%
2505	989	0.863363%
2506	653	0.570047%
2507	653	0.570047%
2508	798	0.696627%
2509	811	0.707975%
2601	917	0.800510%
2602	607	0.529890%
2603	926	0.808367%
2604	653	0.570047%
2605	989	0.863363%
2606	653	0.570047%
2607	653	0.570047%
2608	798	0.696627%
2609	811	0.707975%
2701	917	0.800510%
2702	607	0.529890%
2703	926	0.808367%
2704	653	0.570047%
2705	989	0.863363%
2706	653	0.570047%
2707	653	0.570047%
2708	798	0.696627%
2709	811	0.707975%
<b>TOTAL</b>	<b>114,552</b>	<b>100.000000%</b>

**B. RENTAL UNIT CLASS COMMON INTEREST**  
(The following listed units are "Rental Units" for purposes of the Declaration.)

<b>Unit Number</b>	<b>Approx. Net Living Area (square feet)</b>	<b>Class Common Interest</b>
606	653	2.276769%
701	917	3.197239%
702	607	2.116384%
703	926	3.228609%
704	653	2.276769%
705	989	3.448276%
706	653	2.276769%

707	653	2.276769%
708	798	2.782330%
709	811	2.827656%
801	917	3.197239%
802	607	2.116384%
803	926	3.228618%
804	653	2.276769%
805	989	3.448276%
806	653	2.276769%
807	653	2.276769%
808	798	2.782330%
809	811	2.827656%
901	917	3.197239%
902	607	2.116384%
903	926	3.228618%
904	653	2.276769%
905	989	3.448276%
906	653	2.276769%
907	653	2.276769%
908	798	2.782330%
909	811	2.827656%
1001	917	3.197239%
1002	607	2.116384%
1003	926	3.228618%
1004	653	2.276769%
1005	989	3.448276%
1006	653	2.276769%
1007	653	2.276769%
1008	798	2.782330%
1009	811	2.827656%
<b>TOTAL</b>	<b>28,681</b>	<b>100.000000%</b>

**C. COMMERCIAL UNITS CLASS COMMON INTEREST**

(The following listed units are "Commercial Units" for purposes of the Declaration.)

<b>Unit Number</b>	<b>Approx. Net Living Area (square feet)</b>	<b>Class Common Interest</b>
Commercial Unit 1 (or CU-1)	2,520	36.505867%
Commercial Unit 2 (or CU-2)	1,661	24.062002%
Commercial Unit 3 (or CU-3)	2,722	39.432131%
<b>TOTAL</b>	<b>6,903</b>	<b>100.000000%</b>

**A. LAYOUT AND FLOOR PLANS OF UNITS.** Each Unit has the number of bedrooms ("Bed") and bathrooms ("Bath") noted above. The layouts and floor plans of each Unit are depicted in the Condominium Map. None of the Units contain a basement.

**B. APPROXIMATE NET LIVING AREAS.** The approximate net living areas of the Commercial Units, the Residential Units, and the Rental Units were determined by measuring the area between the interior finished surfaces of all perimeter and party walls at the floor for each Unit and includes the area occupied by load

bearing and nonloadbearing interior walls, columns, ducts, vents, shafts, stairways and the like located within the Unit's perimeter walls. All areas are not exact and are approximate based on the floor plans of each type of Unit.

**C. COMMON INTEREST.** The Common Interest for each of the one hundred seventy (187) Units (the Commercial Units, the Residential Units, and the Rental Units) in the Project is calculated based on dividing the approximate net living area of the Unit, as applicable, by the total net living area of all the Units in the Project. In order to permit the Common Interest to equal one hundred percent (100%), the Common Interest attributable to Unit No. 606 was decreased by 0.000003%.

**D. RESIDENTIAL UNIT CLASS COMMON INTEREST, RENTAL UNIT CLASS COMMON INTEREST, AND COMMERCIAL UNIT CLASS COMMON INTEREST.** The Residential Unit Class Common Interest is calculated based on dividing the approximate net living area of the Residential Unit by the total net living area of all Residential Units in the Project. In order to permit the Residential Unit Class Common Interest to equal one hundred percent (100%), the Residential Unit Class Common Interest attributable to Unit No. 605 was increased by 0.000005%. The Rental Unit Class Common Interest is calculated based on dividing the approximate net living area of the Rental Unit by the total net living area of all Rental Units in the Project. In order to permit the Rental Unit Class Common Interest to equal one hundred percent (100%), the Rental Unit Class Common Interest attributable to Unit No. 703 was increased by 0.000009%. The Commercial Unit Class Common Interest is calculated based on dividing the approximate living area of the Commercial Unit by the total approximate net living area of all Commercial Units in the Project.

**E. PARKING STALLS.** The Condominium Map depicts the location, type and number of parking stalls in the Project. Each Residential Unit and each Rental Unit will have as a Unit Limited Common Element at least one (1) parking stall. All Unit Limited Common Element parking stalls are currently Limited Common Elements appurtenant to Unit No. 606. Other numbered parking stalls (including guest parking stalls) not otherwise identified above as a Unit Limited Common Element to a specific Unit are Unit Limited Common Elements appurtenant to Unit No. 606. Developer has the reserved right to redesignate and reassign such parking stalls currently designated as Unit Limited Common Elements appurtenant to Unit No. 606, to other Residential Units or Rental Units in the Project as Unit Limited Common Elements appurtenant to such Residential Units or Rental Units.

**END OF EXHIBIT "A"**

## **EXHIBIT "B"**

### **BOUNDARIES OF EACH UNIT**

Capitalized terms have the meanings ascribed to such terms in the Declaration.

The respective Units shall be deemed to include: (i) all interior walls, doors, windows, window frames, and partitions that are not load bearing and that are located within the space bounded by the Unit's perimeter walls but not the perimeter walls themselves, except the party walls which are measured to the center of the party wall, (ii) the interior decorated or finished surfaces of all doors, door frames, columns, and window frames of perimeter and party walls, (iii) the interior decorated or finished surfaces of all floors and ceilings, (iv) all lath, furring, wallboard, plasterboard, plaster, paneling, tile, wallpaper, paint, finished flooring, and any other materials constituting the finished interior decorated surfaces of such walls and columns, interior doors, interior door and window frames, and floors and ceilings, (v) the air space surrounded by such walls, doors, door and window frames, floors and ceilings, (vi) all fixtures (if any) originally installed in the Unit and (vii) any pipes, shafts, wires, conduits, ducts, or other utility or service lines running through such Unit that are utilized for or service only that Unit. Unless otherwise specifically indicated herein, Units shall not be deemed to include the following: (a) the undecorated and unfinished surfaces of perimeter walls and doors, sliding doors and frames, door frames, windows and window frames and any exterior surfaces thereof, (b) the interior load bearing walls and columns and their undecorated or unfinished surfaces, (c) any door or window frames located in the interior load bearing walls and their undecorated or unfinished surfaces, (d) any lanais, or walls, floors, and/or ceilings partially surrounding any lanai, and (e) any pipes, shafts, wires, conduits, ducts, or other utility or service lines running through such Unit that are utilized for or service more than one Unit; and (f) any Common Elements or Limited Common Elements as hereinafter provided.

Developer shall have the right to adjust the boundaries and/or net living areas of the Units and the descriptions of the perimeter boundaries set forth on the Condominium Map as necessary to correct minor discrepancies and/or errors in the descriptions or areas; provided that Developer shall record an amendment to the Declaration to reflect such modification; and further provided that Developer need not recalculate and readjust Common Interests of the Units impacted for such minor corrections to the areas.

**END OF EXHIBIT "B"**

## **EXHIBIT "C"**

### **PERMITTED ALTERATIONS TO UNITS**

Capitalized terms have the meanings ascribed to such terms in the Declaration.

A. **IN GENERAL.** This section applies, except as otherwise provided by the FHA and except as otherwise provided in the Declaration. This section does not apply to changes made by Developer when exercising Developer's Reserved Rights. Neither the Association nor any Owner may make any structural changes or additions to the Common Elements, Units, or the Limited Common Elements that are different in any material respect from the Condominium Map, except pursuant to any requisite vote by the Association and amendment of the Declaration, or as otherwise set forth herein or in the Bylaws. Any such restoration, replacement, construction, alteration, or addition must be made in accordance with complete plans and specifications that are first approved by the Board in writing. Promptly after the work is completed, the Association, Developer, or the Owner must record the amendment along with any necessary changes to the Condominium Map. This section does not apply to "nonmaterial structural additions to the Common Elements" as that term is used in Section 514B-140 of the Act. Nothing in this section (1) authorizes any work or change that would jeopardize the soundness, safety or structural integrity of any part of the Project; (2) authorizes any work or change by a Residential Unit Owner that would materially change the uniform external appearance of the Project without the approval of the Board and the consent of the Commercial Director; (3) authorizes any work or change by the Board that would materially change the exterior of the Parking Structure or Tower without the consent of the Commercial Director; (4) prohibits the Board from making or requiring that an Owner make changes within any Unit or Unit Limited Common Element as needed to comply with the fire code and all other laws that apply to the Project; and (5) prohibits the Developer from completing the initial Project construction and Improvements.

B. **BY RESIDENTIAL UNIT OWNERS AND RENTAL UNIT OWNERS.** Owners of Residential Units or Rental Units shall not change or cause a change to the exterior of the Units, or the Limited Common Elements appurtenant thereto (including, without limitation, the installation of any type of signage) without the prior written approval of the Board pursuant to Section X.E of the Declaration, and the prior written approval of Developer during the Development Period. Any change or modification that is made by Developer, in the exercise of its Developer's Reserved Rights, shall not require the approval of the Board.

Each Residential Unit Owner and Rental Unit Owner has the right, subject to the terms and provisions in the Condominium Documents and the approvals required above, which approvals shall not be unreasonably withheld or delayed, and any Rental Unit restrictions set forth in the Permit, as applicable, to make any of the following changes, additions, and Improvements solely within the Owner's Unit or within a Limited Common Element appurtenant only to the Owner's Unit, at such Owner's sole cost and expense:

1. To install, maintain, remove, and rearrange non load-bearing partitions and walls from time to time within the perimeter walls of the Residential Unit; provided that the initial enclosed living area of any Residential Unit (as depicted on the Condominium Map) shall not be increased, including, without limitation, through the full or partial enclosure of any exterior lanai, if any;

2. To finish, change or substitute any plumbing, electrical, or other fixtures attached to the ceilings, floors, or walls, as appropriate, for the use of the Unit or a Limited Common Element appurtenant solely to the Unit;

3. To make such changes, additions, and Improvements to the Unit or Limited Common Element appurtenant solely thereto to facilitate handicapped accessibility within the Unit or Limited Common Element; and

4. To consolidate two (2) or more Units owned by the same Owner, provided that any intervening walls removed are not load-bearing or structural walls and/or do not support any other Unit of the building, and to install doors and other Improvements in the intervening wall and/or make other reasonable additions. The Owner must ensure that the structural integrity of the Unit, Limited Common Elements, and the building will not be adversely affected; any plumbing or other lines that may run behind any non-load bearing walls are not adversely affected; the finish of the remaining Common Elements are restored to substantially the same condition as prior to removal; and all construction activity is completed within a reasonable time. The Common Interest and, as

applicable, Residential Unit Class Common Interest or Rental Unit Class Common Interest appurtenant to the single consolidated Unit shall equal the total of the Common Interest for the original Units and shall not affect the Common Interest appurtenant to any other Unit

C. BY COMMERCIAL UNIT OWNERS. The Owners of Commercial Units shall have the right to change the exterior appearance of the Commercial Units, their Commercial Unit Limited Common Elements and the non-load-bearing walls and partitions within the Commercial Units to change the configuration, size and appearance of entrances and windows, facade and storefronts of the Commercial Units and their appurtenant Commercial Unit Limited Common Elements, at such Owner's sole cost and expense, without the approval of the Board. Each Commercial Unit Owner has the right:

To install, maintain, remove and rearrange partitions and other walls from time-to-time and/or to extend outside sitting areas or lounge areas for patrons within its Unit Limited Common Elements;

To finish, change, or substitute any plumbing, electrical or other fixtures attached to the ceilings, floors, or walls as appropriate for the use of the Commercial Units or Commercial Unit Limited Common Elements;

To decorate, paint, repaint, wallpaper or otherwise change the appearance of any walls, floors and ceilings of the Commercial Units or Commercial Unit Limited Common Elements and to add, modify, reconfigure, resize or replace the storefront or Improvements within the Commercial Units or their Unit Limited Common Elements;

To make such changes, additions and Improvements to the Commercial Units or Commercial Limited Common Elements to facilitate handicapped accessibility within the Commercial Units or Commercial Unit Limited Common Elements;

To make "nonmaterial structural additions to the Common Elements" as that term is used in § 514B-140 of the Act;

Subject to any zoning or building code requirements, to subdivide a Commercial Unit to create two (2) or more Units, designate which Unit Limited Common Elements of the subdivided Unit will be appurtenant to the Units resulting from the subdivision, and convert parts of the existing Commercial Unit to Common Element status to facilitate the subdivision. The total of the Common Interest for the newly-created Commercial Units must be equal to the Common Interest of the Commercial Unit that was subdivided. If the Commercial Unit Owner subdivides the Commercial Unit, the Commercial Unit Owner may decide whether one or more than one resulting Commercial Unit will have any special rights or easements that are appurtenant to the original Commercial Unit under the Declaration, or such Owner may assign some or all of those rights to either or both of the resulting newly-created Commercial Units; and

To consolidate two (2) Commercial Units owned by the same Owner; provided that any intervening walls removed are not load-bearing or structural walls, and to install doors, stairways and other Improvements in the intervening wall and/or make other commercially reasonable additions. The Commercial Unit Owner must ensure that the structural integrity of the Commercial Units, Commercial Unit Limited Common Element and the building will not be adversely affected; the finish of the remaining Common Element Improvements are restored to substantially the same condition as prior to removal; and all construction activity is completed within a reasonable time. The Common Interest of any newly-created Commercial Unit shall be the aggregate of the two (2) initially separate Commercial Units.

Any material addition or alteration to the Commercial Units or Commercial Limited Common Element shall require the approval of the Board only if the proposed addition or alteration, as reasonably determined by a majority of the Board, could jeopardize the soundness or safety of the Project, impair any easement, or interfere with or deprive any non-consenting Owner of the use or enjoyment, or structural integrity, of any part of the Common Elements. The issuance of a building permit by the County for the material addition or alteration shall be conclusive evidence that the addition or alteration would not jeopardize the soundness, safety or structural integrity of the Project.

D. BY THE BOARD. The Board has the right to change the exterior appearance of the Project, without approval of the Association; provided that the cost of such change shall not exceed two hundred fifty thousand dollars (\$250,000.00). During the Development Period, however, the Board may not pursue any such change without Developer's prior written approval.

Any such alteration and/or expansion shall comply in all respects with all applicable governmental codes, statutes, ordinances and rules and regulations, licenses and permits.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL RESTRICTIONS ON ALTERATIONS TO UNITS CONTAINED IN THE DECLARATION, BYLAWS AND HOUSE RULES (COLLECTIVELY, "CONDOMINIUM DOCUMENTS"). WHILE THIS SUMMARY IS A GENERAL SUMMARY OF THE RIGHTS AND OBLIGATIONS UNDER THE CONDOMINIUM DOCUMENTS, PURCHASER MUST REFER TO THE DECLARATION, BYLAWS AND HOUSE RULES TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PROJECT DOCUMENTS, THE CONDOMINIUM DOCUMENTS SHALL AND WILL CONTROL.

**END OF EXHIBIT "C"**

## **EXHIBIT "D"**

### **COMMON ELEMENTS AND LIMITED COMMON ELEMENTS**

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

A. **COMMON ELEMENTS.** One freehold estate is hereby designated in all portions of the Project not defined as a "Unit," herein called the "Common Elements." The Common Elements shall include specifically, but shall not be limited to, the following:

a. The Land in fee simple and any other appurtenances thereto described in Exhibit "A"; subject, however, to the rights of Developer herein affecting the Land;

b. The Building Structure;

c. All fans, vents, shafts, drains, sewer lines, water lines, pipes, generators, cables, conduits, ducts, electrical equipment, water pumps, fire pumps and other equipment, telecommunication equipment, security equipment, cooling tower(s), wiring and other central and appurtenant transmission facilities and installations on, above, over, under and across the Project to the point of their respective connections to Improvements comprising a part of the Units or the Limited Common Elements appurtenant thereto, which serve the Residential Units, Rental Units, and Commercial Units and their appurtenant Limited Common Elements, including, without limitation, those providing electricity, light, gas (if any), water, air conditioning, sewer, refuse, drainage, irrigation, telephone, security, and radio and television signal distribution (if any), unless otherwise designated herein or on the Condominium Map.

d. All hallways, areas, or rooms, including, without limitation, areas or rooms housing the items described in Section C.3, above, rooms housing fire protection, telecommunications and/or security equipment, the security office located on Level 2, storage rooms, and installations existing for common use by or for the common benefit of the Residential Units, Rental Units, and the Commercial Units, and not otherwise designated as a Unit herein or on the Condominium Map;

e. The driveway on Level 1 between Cedar Street and Sheridan Street and to the loading and parking stalls on said Level 1; and any signage, decorative façade, or Improvement attached to said driveway;

f. The drive through areas on Level 1 of the Parking Structure;

g. Any Level 1 sidewalk, common walkway, porte cochere or turnaround area, retaining wall, fence, gate, and landscaping, including any bicycle parking or docking area or station located on any Level 1 sidewalk or common walkway;

h. The exterior surfaces of the Tower, including, without limitation, any louver, trellis, screening, paneling, signage, decorative façade, or Improvement attached thereto; and

i. All other areas of the Project that are not described as a Unit or a part thereof.

B. **LIMITED COMMON ELEMENTS.** The Limited Common Elements are hereby designated, set aside and reserved for the exclusive use of a specific Unit, or groups of Units, and such Units shall have appurtenant thereto exclusive easements for the use of such Limited Common Elements, unless otherwise set forth herein. The Limited Common Elements are as follows:

a. **RESIDENTIAL LIMITED COMMON ELEMENTS.** The Residential Limited Common Elements include those parts of the Common Elements that are reserved for the exclusive use of all of the Residential Unit Owners and all of the Rental Unit Owners, as follows:



i. All driveways, driveway isles, walkways, drive through areas and access ramps on a portion of Level 1 through Level 5, including Level 1 Mezzanine, of the Parking Structure, as depicted on the Condominium Map;

ii. Certain elevators, elevator vestibules, elevator equipment and elevator landings as depicted on the Condominium Map;

iii. Parking stalls for guests and loading, designated as "LCE-R: Residential Limited Common Element" on the Condominium Map;

iv. All walkways, sidewalks, retaining walls, fences, gates, yard areas, and all other common ways, pool enclosure areas, all landscaping, walls enclosing Residential Limited Common Elements, yards and grounds located above Level 1 of the Tower;

v. The entire Activity Deck and the Recreational Amenities located on the Activity Deck, which may include a swimming pool and jetted spa, theater and a fitness room and all other amenities;

vi. Those portions of any pipes, cables, conduits, switches, chutes, flues, ducts, wires, vents, fans, shafts, fire pumps, other utility or service lines, sewage treatment equipment and facilities (if any), supporting apparatus, electrical equipment, electrical closets, storage rooms, communications rooms, pump rooms, pool support pumps and equipment, systems and apparatus, HVAC, air conditioning and/or heating equipment and any appurtenant pipes or ducts, or other central and appurtenant transmission facilities and installations over, under and across the Residential Limited Common Elements, or any other fixtures, whether located partially within and partially outside the designated boundaries of the Residential Limited Common Elements, which serve more than one Residential Unit or Rental Unit, or the Residential Limited Common Elements, and are not otherwise designated as Common Elements;

vii. All utility, maintenance and work rooms, closets and facilities, storage rooms, enclosures, electrical and mechanical rooms, accessory equipment areas, storage areas, trash rooms and chutes and other support areas that service only the Residential Units and the Rental Units or the Residential Limited Common Elements, designated as "LCE-R: Residential Limited Common Element" on the Condominium Map;

viii. Any and all decorative elements which may be added by or on behalf of the Developer to the Residential Units, the Residential Unit Limited Common Elements, the Residential Limited Common Elements, or the Rental Units, including without limitation, any louvers, panels, planters, signs, glass walls, glass, fixtures, water features, fencing, gates and landscaping;

ix. Any rooftop or portion thereof, or mechanical equipment areas servicing only the Residential Units, Rental Units and/or the Residential Limited Common Elements located in Tower, designated as "LCE-R: Residential Limited Common Element" in the Condominium Map; and

x. Any other areas designated as "LCE-R: Residential Limited Common Element" on the Condominium Map.

b. **COMMERCIAL LIMITED COMMON ELEMENTS.** The Commercial Limited Common Elements include those parts of the Common Elements that are reserved for the exclusive use of all Commercial Unit Owners, as follows:

i. The drive through areas in the Parking Structure located on Level 1 depicted as "LCE-C: Commercial Limited Common Element" on the Condominium Map;

ii. The interior surfaces of the walls, ceilings, and floors of the Parking Structure on Level 1, depicted as "LCE-C: Commercial Limited Common Element" on the Condominium Map, including, without limitation, any louver, trellis, screening, paneling, signage, decorative façade, or Improvement attached to the interior surfaces thereof, excluding any signage installed by the Owners or tenants of the Commercial Units as permitted hereunder, and not otherwise designated as a Unit, or Residential Limited Common Element;

iii. Those portions of any pipes, cables, conduits, chutes, flues, ducts, wires, vents, fans, shafts, fire pumps, other utility or service lines, sewage treatment equipment and facilities (if any), HVAC, electrical equipment, electrical closet, storage room, communications room, HVAC room, or other central and appurtenant transmission facilities and installations over, under and across the Commercial Limited Common Elements, or any other fixtures, whether located partially within and partially outside the designated boundaries of a Commercial Limited Common Element, which serve more than one Commercial Unit;

iv. The parking stalls located on Level 1 of the Parking Structure depicted as "LCE-C: Commercial Limited Common Element" on the Condominium Map; and

v. Any other areas described as "LCE-C: Commercial Limited Common Element" on the Condominium Map.

c. **UNIT LIMITED COMMON ELEMENTS.** Unit Limited Common Elements include those parts of the Common Elements that are reserved for the exclusive use of an Owner of a Unit, as follows:

i. Residential Units and Rental Units shall each have appurtenant thereto as a Residential Unit Limited Common Element, the following:

1. The parking stall(s) located in the Residential Unit Limited Common Element portion of the Parking Structure, depicted as "Unit Limited Common Element" on the Condominium Map and assigned to each Residential Unit and/or Rental Unit in Exhibit "B" hereto;

2. The lanai, if any, adjoining the Residential Unit and Rental Units from the decorated finished surface of all walls, floors and ceilings of said lanais (excluding any glass walls and/or ceiling trellises), as depicted on the Condominium Map, the areas of which are described in Exhibit "B";

3. Any chute, flue, duct, wire, conduit, or any other fixture which lies totally within or partially within and partially outside the designated boundaries of a Residential Unit and/or Rental Unit, any portion thereof serving only that Residential Unit or Rental Unit;

4. One (1) assigned mailbox, located within the Mail Room on Level 1 of the Project. Such mailbox shall be identified by the same number as the Residential Unit or Rental Unit to which it is appurtenant; and

5. Any other areas on the Condominium Map described as a Unit Limited Common Element appurtenant to a Residential Unit or Rental Unit.

ii. The Commercial Units shall each have appurtenant thereto as a Commercial Unit Limited Common Element, the following:

1. Any doorsteps, stoops, patios, and all exterior doors and windows or other fixtures designed to serve a Commercial Unit located outside the boundaries of, but adjoining, the Commercial Unit;

2. Any chute, flue, duct, wire, conduit, or any other fixture that lies totally within or partially within and partially outside the designated boundaries of a Commercial Unit, any portion thereof serving only the Commercial Unit; and

3. The assigned mailbox located within the Project identified by the same number as the Commercial Unit, if any.

**END OF EXHIBIT "D"**

**EXHIBIT "D"**  
**(Page 3 of 3)**

## **EXHIBIT "E"**

### **SPECIAL USE RESTRICTIONS**

Capitalized terms have the meanings ascribed to such terms in the Declaration.

#### **I. PROJECT; IN GENERAL.**

A. **STANDARD OF OPERATION.** The Project shall be occupied and used only for those purposes that are consistent with, and appropriate to, a residential and commercial mixed-use development operating pursuant to a Project Quality Standard and other uses permitted by law and the Condominium Documents.

B. **RIGHT TO SELL, LEASE OR RENT.** Subject to those certain prohibitions on uses set forth herein, the Owners of the respective Units shall have the absolute right, without the consent or joinder of any other Owners, to sell, rent, lease, or otherwise transfer such Units subject to all of the provisions of the Condominium Documents; provided, however, that: (a) all leases shall be in writing, signed by the Owner or Owner's representative and the tenant, (b) as it pertains to the Residential Units and Rental Units, all leases shall have a term of not less than thirty (30) days, or such longer minimum period required by applicable law, (c) all leases and rentals of Units or portions thereof shall be made in accordance with any applicable zoning ordinances and other applicable laws, including, but not limited to, the Residential Landlord Tenant Code, Chapter 521 of the Hawaii Revised Statutes, unless otherwise exempt therefrom, (d) without prior written approval of the Board, no leasing of less than an entire Unit shall be allowed, (e) Owner gives notice in writing to the Association that such Owner's Unit is being leased and the name of such lessee, (f) as it pertains to the Residential Units, such Owner's right to lease is subject to any owner-occupant requirements under Part V.B of the Act and (g) no Residential Unit or Rental Unit may be utilized for hotel purposes as defined below in Section III. E. below. Further, no Owner, or any agent of an Owner, shall engage in a circumvention of the foregoing requirements by systematically permitting the cancellation of an authorized lease, thereby effectively permitting occupancy of an Owner's Unit for less than the minimum permitted time period.

C. **SEPARATE MORTGAGES.** Each Owner shall have the right to Mortgage or to otherwise encumber all, but not less than all, of such Owner's Unit. Any Mortgage shall be subordinate to all of the provisions of the Condominium Documents and, in the event of foreclosure, the provisions of the Condominium Documents shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure or otherwise. Notwithstanding any other provision of the Condominium Documents, no breach of the provisions herein contained, nor the enforcement of any lien created pursuant to the provisions hereof, shall impair, defeat or render invalid the priority of the lien of any Mortgage encumbering a Unit or encumbering Developer's interest in the Project.

D. **MAINTENANCE OF THE UNITS AND THEIR LIMITED COMMON ELEMENTS.** The Owner of a Unit shall keep the interior of his or her Unit and all appliances, plumbing, electrical and other fixtures and appurtenances constituting a part of the Unit and the Unit Limited Common Elements appurtenant thereto in a clean and sanitary condition and in good order and repair in accordance with the Project Quality Standard and in compliance with law, and shall be responsible for any damage or loss caused by his or her failure to do so. Decisions on repairs or modifications to the Unit Limited Common Elements shall be made by the Owners of Units to which such Unit Limited Common Elements are appurtenant and shall be subject to any additional provisions stated in the Condominium Documents. Owners shall be responsible for any damage or loss to any of the Common Elements or to other Units caused by such Owner's tenants, guests or invitees.

E. **PROHIBITION ON ACTIVITIES THAT MAY JEOPARDIZE THE PROJECT.** No Owner shall do or suffer or permit anything to be done or kept on or in any Unit or appurtenant Limited Common Element or elsewhere on the Project that will: (a) injure the reputation of the Project; (b) jeopardize the safety, soundness, or structural integrity of the Improvements in the Project; (c) create a nuisance, interfere with, or unreasonably disturb the rights of other Owners and Occupants; (d) reduce the value of the Project; (e) increase the rate of insurance applicable to the Units or the contents thereof, or to the Project; (f) violate the House Rules or any applicable law, ordinance, statute, rule, or regulation of any local, county, state, or federal government or agency; (g) cause the violation of any conditions or restrictions or covenants, agreement(s) entered into for the benefit of the Project

and/or (h) result in the cancellation of insurance applicable to the Project, adversely affect the right of recovery thereunder, or result in reputable companies refusing to provide insurance as required or permitted by the Bylaws. Any insurance increase caused by a Residential Unit shall become a Residential Unit Class Expense, any increase caused by a Rental Unit shall become a Rental Unit Class Expense, and any increase caused by a Commercial Unit shall be paid by the Owner of such Commercial Unit.

II. USE OF PARKING STRUCTURE. The Parking Structure shall be used for access, parking, and any other purposes permitted by the Condominium Documents. The Association shall be prohibited from reducing the total number of parking stalls, handicap parking stalls, guest stalls, and/or loading stalls or areas located at the Project, without the prior written approval of Developer during the Development Period. All Owners shall be provided access to the Parking Structure to access and utilize their designated parking stall(s) (if any), guest stalls, patron stalls (if any), and Unit and the Limited Common Elements appurtenant thereto, as applicable.

### III. RESIDENTIAL UNITS, RENTAL UNITS, AND UNIT LIMITED COMMON ELEMENTS AND RESIDENTIAL LIMITED COMMON ELEMENTS.

A. RESIDENTIAL USE. Except as provided herein, Residential Units and their appurtenant Unit Limited Common Elements shall be used for residential purposes exclusively, except that a home-based business may be maintained within a Residential Unit, provided that (a) such maintenance and use is limited to the person actually residing in the Residential Unit; (b) no employees or staff other than a person actually residing in the Residential Unit are utilized; (c) no clients or customers of such business visit the Residential Unit; (d) the number of persons, other than clients or customers, that shall visit such business and the frequency of such visits shall be kept to a reasonable minimum, as determined in the sole discretion of the Board; (e) such maintenance and use is in strict conformity with the provisions of any applicable law (including zoning law), ordinance or regulation; (f) the person utilizing such office maintains a principal place of business other than the Residential Unit; (g) such business uses no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interference detectable by neighbors and does not cause an increase of Common Expenses that can be solely and directly attributable to the business; (h) such business does not involve the use, storage or disposal of any materials that the State of Hawaii or any governing body with jurisdiction over the Property designates as hazardous material; and (i) the Owner has provided the Board thirty (30) calendar days prior written notice of his or her intent to operate such home-based business. Notwithstanding the foregoing, the Board shall have the authority, but not the obligation, to permit a home-based business to be maintained within a Residential Unit which does not meet one or more of the requirements set forth above, which permission may be withdrawn at any time in the sole discretion of the Board. Nothing contained in this shall be construed to prohibit the Developer from the use of any Residential Unit owned by Developer for promotional or display purposes, such as for a model home, a sales and/or construction office, or for any other lawful purpose for development, construction and/or marketing and sales of the Residential Units or Commercial Units in the Project.

B. RENTAL UNITS. The provisions applicable to Residential Units and their appurtenant Limited Common Elements set forth in Section III.A, above, shall also be applicable to the Rental Units and their appurtenant Limited Common Elements.

Pursuant to the Permit, the Rental Units shall be rented to households meeting the income and other eligibility requirements set forth in said Permit for a minimum of thirty (30) years from the date a certificate of occupancy is issued for the Project (for purposes of this Section, "Restrictive Period"). Upon the expiration of the Restrictive Period, the Owner(s) of the Rental Units may elect to offer said units for sale or rent at then-current market rates. Additionally, after the expiration of the Restrictive Period, the Rental Units shall be automatically converted to Residential Units, and the Limited Common Elements appurtenant to said Rental Units shall be Limited Common Elements appurtenant to the newly-converted Residential Units or all Residential Units, as applicable. The Association shall record or cause to be recorded an amendment to the Declaration (a) addressing all references and provisions applicable to the Rental Units and their appurtenant Limited Common Elements, and (b) describing the Residential Unit Class Common Interest appurtenant to each Residential Unit as a result of the conversion of the Rental Units to Residential Units. The Residential Unit Class Common Interest appurtenant to each Residential Unit shall be calculated by dividing the Residential Unit's net living area by the net living area of all Residential Units in the Project; provided, however, that the Association shall have the right to round the result of such calculations so that the sum of the percentages equals exactly one hundred percent (100%).

C. **MAXIMUM OCCUPANCY.** Unless limited otherwise by County ordinance, or other applicable law, no Residential Unit or Rental Unit shall be occupied by more than six (6) persons and provided that in no event shall occupancy of a Residential Unit or Rental Unit exceed three (3) persons per bedroom; provided however, that this occupancy limitation shall not apply to or restrict the Owner of a Residential Unit or Rental Unit from hosting a larger group of invited guests or visitors in such Unit for a one (1) day function with prior written notice to the Managing Agent and subject to the limitations set forth in the House Rules. Additional occupancy requirements and restrictions may apply to tenants of the Rental Units pursuant to the Permit.

D. **UNSIGHTLY ARTICLES.** Portions of a Residential Unit or Rental Unit and its appurtenant Limited Common Elements that are visible from the exterior of the Residential Unit or Rental Unit must be kept in an orderly condition so as not to detract from the neat appearance of the Project. Other than as permitted in the House Rules, no items may be stored upon any lanai. To maintain a uniform and attractive exterior appearance for the Project, Residential Unit Owner- or Rental Unit Owner-installed window coverings must include a backing of an off-white color and must be of a type and general appearance approved by the Board. Residential Unit Owners and Rental Unit Owners may not, without the prior written approval of the Board, apply any substance, material, or process to the exterior or interior surfaces of the Residential Unit's or Rental Unit's windows that may alter the exterior color, appearance or reflectivity of the windows. The Board, in its sole discretion, may determine whether the portions of a Residential Unit or Rental Unit visible from the exterior of the Residential Unit or Rental Unit are orderly. The Board may have any objectionable items removed from the portions of a Residential Unit or Rental Unit that are visible from the exterior of the Unit so as to restore its orderly appearance, without liability therefor, and charge the Residential Unit Owner or Rental Unit Owner for any costs incurred in connection with such removal.

E. **PROHIBITION AGAINST TIME SHARE PROGRAMS AND UTILIZATION OF SHORT-TERM ONLINE RENTAL PLATFORMS.** Residential Units and Rental Units and their Limited Common Elements, or any portion of any, *shall not be the subject of or sold, transferred, conveyed, leased, occupied, rented, or used under a time share plan (as defined in Hawaii Revised Statutes, Chapter 514E, as amended) or similar arrangement or program, whether covered by Chapter 514E or not, including, but not limited to, any so-called "fractional ownership," "vacation license," "travel club membership," "club membership," "membership club," "destination club," "time-interval ownership," "interval exchange" (whether the exchange is based on direct exchange or occupancy rights, cash payments, reward programs or other point or accrual systems) or "interval ownership" as offered and established through a third party vacation membership service provider who is in the business of providing and managing such programs. The Residential Units and Rental Units shall not be used as part of any occupancy plan or for similar purposes, which shall include: (a) any joint ownership, whether or not ownership is deeded, of a Residential Unit or Rental Unit where unrelated (i.e., non-family) owners share and enjoy use or occupation of the Residential Unit or Rental Unit according to a periodic (fixed or floating) schedule based on time intervals, points or other rotational system; or (b) any club, the membership of which allows access and use of one or more properties by its members based on availability and reservation priorities, commonly known as destination clubs (equity or non-equity) or vacation clubs. Furthermore, the Residential Units and Rental Units and their Limited Common Elements, or any portion of any, shall not be used for transient or hotel purposes, which are defined as (a) rental for any period less than thirty (30) days, or (b) any rental in which the Occupants of the Residential Unit or Rental Unit are provided customary hotel or rental services. The Residential Units and Rental Units shall also not be placed in or made available on any short term online rental platform or any other platform whereby potential occupants are solicited to stay in a Unit for less than a thirty (30) day period. The foregoing restrictions are collectively referred to as "Occupancy Restrictions." The Occupancy Restrictions may be enforced by Developer, the Association, or the Managing Agent.*

The restrictions set forth above shall be read broadly, and, among other things, shall encompass any type of plan, the nature of which causes Residential Units or Rental Units to be utilized by persons who have either joined a plan or program as a member or whose use is derivative of someone who has joined a plan or program as a member. Determination by Developer, the Association, or the Managing Agent that a violation of this provision exists shall be binding on the violating Owner, and the Board may promulgate and effectuate additional rules, regulations, procedures, and processes for enforcement of this provision, including but not limited to any surcharge or other charge or assessment that the Board shall solely determine. This Section shall not be terminated or amended without the prior written approval of Developer, to the extent permitted by applicable law.

F. USE OF RECREATIONAL AMENITIES; ACTIVITY DECK. The Recreational Amenities for the Residential Units, which may include, but not be limited to, the Activity Deck, Lounge, Pool, Kids Pool, BBQ Area, Gym, Theater, Kid's Area, and Meeting/Multi-function Room are Residential Limited Common Elements. Except as otherwise provided herein, the Recreational Amenities in the Project shall only be used by the Residential Unit Owners, Rental Unit Owners, and, while in residence, their Occupants and non-resident guests while accompanied by the Occupant. The Recreational Amenities are to promote recreation and leisure activities and any other purposes permissible under the Condominium Documents; provided that and subject to any Developer's Reserved Rights, at no time shall there be any commercial use of the Activity Deck or Recreational Amenities to service any Person other than an Owner (or Owner's invitees), nor shall the Activity Deck or other area in which Recreational Amenities are located contain any third-party independent commercial operation, provided that a third party independent commercial operation whose business is to provide services exclusively to Owners and their invitees may be permitted in the discretion of the Board. Developer shall have the option, at its sole discretion, to add to, reconfigure, resize, relocate, and/or remove any or all of the Recreational Amenities, which may in turn increase or decrease the Common Expenses and, consequently, affect maintenance fees. This section shall not be considered a representation and/or warranty by Developer that any or all of the Recreational Amenities will be built and/or offered to Owners, or that any of the Recreational Amenities will be built at all.

#### IV. COMMERCIAL UNITS AND UNIT LIMITED COMMON ELEMENTS AND COMMERCIAL LIMITED COMMON ELEMENTS.

A. COMMERCIAL USE. All uses within the Commercial Units for retail purposes shall be consistent with the Project Quality Standard and shall comply with applicable laws, including, without limitation, obtaining all business or professional licenses and permits required by law. The Commercial Units may be leased out at the discretion of the Commercial Unit Owners. The Owner(s) of any Commercial Unit, at its sole discretion, may contract with various providers of goods and services, such as food and beverage operators, retail stores and other vendors, to provide goods and services at the Project. The Owner(s) of the Commercial Units may retain any and all compensation paid to the Owner(s) in return for permitting a vendor to use space within a Commercial Unit or its Unit Limited Common Elements or in the Commercial Limited Common Elements. The commercial use of the Commercial Units is subject to change at the sole discretion of the Commercial Unit Owners; provided that such use is permitted by applicable laws and the Condominium Documents. No Residential Owner shall be guaranteed access through the Commercial Units.

B. LIMITATIONS ON COMMERCIAL USE. The following uses are not permitted uses within or of the Commercial Units or Unit Limited Common Elements appurtenant thereto:

1. facilities for the sales or service of mobile homes or trailers;
2. junkyards, scrap metal yards, automobile used parts sales facilities, motor vehicle dismantling operations, sanitary landfills, except that auto specialty stores or boutiques (with any one store or boutique not to exceed 10,000 square feet) which display only a limited number of automobiles on-site at any particular time may be permitted upon approval by Developer during the Development Period and, thereafter, by the Board;
3. dumping, storage, disposal, incineration, treatment, processing, or reduction of garbage, or refuse of any nature, other than handling or reducing waste produced on the premises from authorized uses in a clean and sanitary manner;
4. truck terminals and truck stop-type facilities, including truck parking lots (except as may be incidental to a use which is not prohibited);
5. tanning parlors, massage parlors, or any establishment which offers entertainment or service by nude or partially dressed male or female persons, except that this provision shall not preclude tanning and massage services offered by fully clothed, trained personnel as part of a legitimate fitness or health facility, or a day spa operation that also offers beauty, body care, skin care, or similar services;

6. "adult entertainment uses," which shall include, for the purposes of this section, any theater or other establishment which shows, previews, or prominently displays, advertises, or conspicuously promotes for sale or rental: (i) movies, films, videos, magazines, books, or other medium (whether now or hereafter developed) that are rated "X" by the movie production industry (or any successor rating established by the movie production industry) or are otherwise of a pornographic or obscene nature (but not including the sale or rental of movies, films, or videos for private viewing); or (ii) sexually explicit games, toys, devices, or similar merchandise;

7. mini-warehouses, and warehouse/distribution centers;

8. any facility for the dyeing and finishing of textiles, the production of fabricated metal products, or the storage and refining of petroleum;

9. dry cleaning plants; provided that facilities for drop-off or pick-up of items dry cleaned outside of the Project are permitted;

10. engine and motor repair facilities (except in connection with any permitted automobile service station);

11. heavy machinery sales and storage facilities; and

12. any use that would cause or threaten the cancellation of any insurance maintained by the Association, or which would measurably increase insurance rates for any insurance maintained by the Association or Owners above the rates that would apply in the absence of such use.

Any amendment to the Declaration that would directly limit or interfere in any way with or change the use of the Commercial Units or their Unit Limited Common Elements or the Commercial Limited Common Elements, or limit access to or from the Commercial Units or their Unit Limited Common Elements or the Commercial Limited Common Elements, shall require and will not be effective without, the prior written approval of the Owners of the Commercial Units affected and if all of the Commercial Units are affected, then the consent of a Majority of the Commercial Unit Class.

V. USE OF COMMON ELEMENTS. Subject to the reserved rights of Developer contained herein, and the express limitations on use for the Limited Common Elements set forth herein, each Owner may use the Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Owners, subject always to the following limitations:

A. ASSOCIATION'S USE. Except for any rights to use expressly reserved to Developer, a Rental Unit Owner, a Residential Unit Owner, or Commercial Unit Owner under the Declaration, nothing in this section or otherwise contained in the Declaration is intended to limit or restrict the Association's right to use the Common Elements, or any Unit or any Limited Common Element appurtenant thereto owned or leased by the Association for the benefit of the members of the Association to the full extent permitted by the applicable zoning ordinance and by law. Before the Development Period ends, no such lease, use or change in use may be made without the written consent of Developer.

B. NO RIGHT TO OBSTRUCT THE COMMON ELEMENTS, RESIDENTIAL LIMITED COMMON ELEMENTS OR COMMERCIAL LIMITED COMMON ELEMENTS. Subject to Developer's Reserved Rights and subject to Developer's ability to obstruct such areas during the Development Period in the exercise its Developer's Reserved Rights, no Residential Unit Owner or Occupant may place, store, or maintain on walkways, roadways, grounds, or other Common Elements, Residential Limited Common Elements or Commercial Limited Common Elements any furniture, packages, or objects of any kind or otherwise obstruct transit through the Common Elements, Residential Limited Common Elements or Commercial Limited Common Elements. This does not prohibit (a) the Owners of Units from placing goods and other materials on the Common Elements, Residential Limited Common Elements or Commercial Limited Common Elements when loading or unloading them, or transporting them to the Unit or to a storage area that is a Limited Common Element; provided that any such loading, unloading, and transportation must be completed promptly in designated areas and in accordance with the

House Rules; or (b) the Commercial Unit Owners' use of the Commercial Limited Common Elements for commercial activity.

VI. USE OF UNIT LIMITED COMMON ELEMENTS, RESIDENTIAL LIMITED COMMON ELEMENTS AND COMMERCIAL LIMITED COMMON ELEMENTS. Subject to Developer's Reserved Rights contained herein, Owners shall have the right to use the Unit Limited Common Elements appurtenant to their Units for any purpose permitted by zoning and other applicable laws and the Condominium Documents. Notwithstanding anything provided to the contrary, or from which a contrary intent may be inferred, neither the Board nor the Association shall have any right to change the use of or lease or otherwise use any Unit Limited Common Element without the prior written approval of the Owner of the Unit to which such Unit Limited Common Element is appurtenant. Subject to any consents required herein, unless otherwise provided, the Residential Unit Owners and Rental Unit Owners of at least sixty-seven percent (67%) of the combined Residential Unit Class Common Interests and Rental Unit Class Common Interests shall have the right to change the use of the Residential Limited Common Elements. Likewise, the Commercial Unit Owners of at least sixty-seven percent (67%) of the Commercial Unit Class Common Interest shall have the right to change the use of the Commercial Limited Common Elements. Subject to Developer's Reserved Rights set forth herein and the easements granted in Section IV of the Declaration, no lease, license, easement or the similar right may be granted over the Residential Limited Common Elements or the Commercial Limited Common Elements without the vote and approval of the Residential Unit Class and Rental Unit Class or the Commercial Unit Class, respectively.

VII. SEPARATION AND/OR COMBINATION OF UNITS; TRANSFER OF INTEREST. Subject to Developer's Reserved Rights set forth herein, no Owner may partition or separate portions of a Unit or the legal rights comprising ownership of a Unit from any other part thereof, nor shall an Owner combine a Unit with any portion of another Unit; provided that an Owner may consolidate Units pursuant to Section X.B.4 of the Declaration. No Residential Unit Owner shall sell, assign, convey, transfer, gift, devise, bequeath, hypothecate or encumber anything other than a single, complete Unit; provided, however, that nothing herein contained shall (1) limit the right of Developer and its successors and assigns to sell or lease Units as contemplated herein, or (2) restrict the manner in which title to a Unit may lawfully be held under Hawaii law (e.g., joint tenants, tenants in common, or the like). Except as provided in clause (1) above, every sale, assignment, conveyance, transfer, gift, devise, bequest, hypothecation, encumbrance, or other disposition of a Unit or any part thereof shall be presumed to be a disposition of the entire Unit, together with all appurtenant rights and interests created by law or by the Declaration or any other Condominium Document. The transfer of any Unit shall operate to transfer to the new owner of the Unit the interest of the prior owner in all funds held by the Association even though not expressly mentioned or described in the instrument of transfer, and without any further instrument or transfer.

VIII. ADA COMPLIANCE. To the extent required, the Project will be constructed in compliance with the Americans with Disabilities Act (42 U.S.C. §§ 12101 et seq.), as amended ("ADA"). All such areas required to be ADA compliant, as well as all improvements therein, must at all times comply with ADA, as well as all other laws, ordinances, building codes, rules, regulations, orders and directives of any governmental authority having jurisdiction now or in the future applicable to such ADA areas.

IX. NUISANCES. No nuisances shall be allowed in the Residential Units which is a source of annoyance to the Owner or occupants of Units or which interferes with the peaceful possession or proper use of the Units by its residents or Occupants. The Commercial Units may be used in accordance with Section IV.A above, and commercially reasonable standards for noise and nuisance as to such Commercial Units will be permitted at the Project.

X. WEIGHT RESTRICTION. Hard and/or heavy surface floor coverings, including, but not limited to, tile, marble, wood, or the like, may not be installed in any part of a Residential Unit or Rental Unit without the prior approval of the Board. Furthermore, the Owner must ensure that a sound control underlayment system which meets an Impact Insulation Criteria (IIC) acoustic standard of 54 or better is used, which system must be approved by the Association. The installation of the foregoing insulation materials shall be performed in a manner that provides proper mechanical isolation of the flooring materials from any rigid part of the Tower, whether of the concrete subfloor (vertical transmission) or adjacent walls and fittings (horizontal transmission) and must be installed prior to the Unit being occupied. The Association may require a structural or acoustical engineer to review certain proposed improvements, with such review to be at the Owner's sole expense. Owners will be held strictly liable for violations



of these restrictions and for all damages resulting therefrom, and the Association has the right to require immediate removal of the flooring or correction of the violations, all at the expense of such Owner.

XI. **ADVERTISEMENTS; SIGNS.** Subject to Developer's Reserved Rights or easement rights or restrictions set forth herein and any applicable House Rules, Residential Unit Owners and Rental Unit Owners shall not place advertisements, posters, or signs of any kind, including, without limitation, any "For Sale" or "For Rent" signs, on the exterior of any Residential Unit or Rental Unit, in the windows of a Residential Unit or Rental Unit, in the exterior portions of the Limited Common Element lanai appurtenant to the Residential Unit or Rental Unit, in the Limited Common Elements appurtenant to the Residential Units or Rental Units and located on level 1 of the Tower, or in any other Limited Common Element appurtenant to the Residential Units and the Rental Units, unless prior written approval is received from the Board. The Commercial Units shall have the right to affix signs to any portion of the Commercial Unit and the Limited Common Elements appurtenant thereto provided the same are consistent with the Project Quality Standard, but may not place any signs or advertisements in any Limited Common Element appurtenant to the Residential Units or Rental Units.

XII. **ANTENNAS, SATELLITE DISHES.** To the extent permitted by applicable law and the House Rules, antenna, satellite dish, or other transmitting or receiving apparatus shall be permitted within those portions of a Residential Unit or Rental Unit under the exclusive control of a Residential Unit Owner or Rental Unit Owner and that are not visible from the exterior of the Unit.

XIII. **PETS.** Residential Owners and Rental Unit Owners are permitted to keep pets in their Residential Unit subject to the limitations set forth in the House Rules; provided, however, that notwithstanding this provision, visually impaired persons, hearing impaired persons, and physically and mentally impaired persons, shall be allowed to use the services of a "service animal" as such term is defined under the ADA, and an "emotional support" animal.

XIV. **HOUSE RULES.** Additional use restrictions that are consistent with the Declaration and Bylaws may be set forth in the House Rules by the Board.

XV. **RIGHTS OF THE BOARD.** The Board shall have the right to do the following:

A. Upon the approval of the Owners of at least sixty-seven percent (67%) of the Common Interest, change the use of the Common Elements;

B. On behalf of the Association, lease or otherwise use for the benefit of the Association the Common Elements not actually used by any of the Owners for an originally intended special purpose, as determined by the Board; provided that unless the approval of the Owners of at least sixty-seven percent (67%) of the Common Interest is obtained, any such lease shall not have a term exceeding five (5) years and shall contain a provision that the lease or agreement for use may be terminated by either party thereto on not more than sixty (60) calendar days' written notice;

C. Lease or otherwise use for the benefit of the Association those Common Elements not falling within Section XV.B above, upon obtaining: (a) the approval of the Owners of at least sixty-seven percent (67%) of the Common Interest, including all directly affected Owners, and (b) the approval of all mortgagees of record which hold Mortgages on Units with respect to which Owner approval is required by (a) above, if such lease or use would be in derogation of the interest of such mortgagees; and

D. The consent of the Commercial Director to the exercise of the Board's right herein shall be required if the exercise of the right directly impacts the Commercial Unit Owners' use and operation of the Commercial Units and their Limited Common Elements.

XVI. **SEVERANCE OF INTEREST IN COMMON ELEMENTS FROM UNIT.** No Owner shall be entitled to sever his or her Unit, or any portion thereof, from his or her undivided interest in the Common Elements, in any easement interests in rights of ways appurtenant thereto or licenses granted under the Declaration. Neither may such component interests be severally sold, conveyed, leased, encumbered, hypothecated or otherwise dealt with, and any such attempt to do so in violation of this provision shall be void and of no effect. Developer and its successors,

assigns and grantees, and each Owner, each covenant and agree that the Units and the corresponding undivided interest in the Common Elements and the easements, licenses and other interests appurtenant thereto, shall not be separated or separately conveyed, and (1) each such undivided interest in the Common Elements and any easements appurtenant to a Unit shall be deemed to be conveyed or encumbered with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to title to the Unit, and (2) each such Unit shall be deemed to be conveyed or encumbered with its respective undivided interest in the Common Elements and in any easements, licenses or other interests appurtenant thereto even though the description in the instrument of conveyance or encumbrance may refer only to the title to the respective undivided interest.

XVII. NON-APPLICABILITY TO DEVELOPER. Notwithstanding anything provided herein to the contrary, as long as there are unsold Units in the Project, the provisions of this Section shall not apply to the Units owned by Developer, Developer Affiliates, or their successors and assigns, or the Limited Common Elements appurtenant thereto, or to any improvements proposed or made by Developer or its successors or assigns or its affiliates in connection with its development, construction, promotion, marketing, sales, or leasing of any Unit or any portion of the Project.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL SPECIAL USE RESTRICTIONS CONTAINED IN THE CONDOMINIUM DOCUMENTS. WHILE THIS SUMMARY IS A GENERAL SUMMARY OF SOME OF THE RIGHTS AND OBLIGATIONS UNDER THE CONDOMINIUM DOCUMENTS, PURCHASER SHOULD REFER TO THE DECLARATION, BYLAWS AND HOUSE RULES TO DETERMINE THE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DOCUMENTS, THE CONDOMINIUM DOCUMENTS SHALL AND WILL CONTROL.

**END OF EXHIBIT "E"**

**EXHIBIT "F"**

**ENCUMBRANCES AGAINST TITLE**

1. Mineral and water rights of any nature in favor of the State of Hawaii.
2. AS TO ITEM ONE, PARCEL ONE:
  - A. EASEMENT

For : Sanitary sewer purposes as shown on Map 30 as set forth by Land Court Order No. 9394 filed February 6, 1950
  - B. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : DEED  
Reserved by : CITY AND COUNTY OF HONOLULU, a municipal corporation of State of Hawaii  
For : A perpetual easement for sewer purposes  
Dated : January 27, 1950  
Recorded : March 2, 1950 in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 116459
3. AS TO ITEM ONE, PARCEL SECOND:
  - A. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : DEED  
Reserved by : CITY AND COUNTY OF HONOLULU  
For : Sanitary Sewer purposes (10 ft. wide)  
Dated : December 30, 1970  
Recorded : April 20, 1971 in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 534361
  - B. EASEMENT

For : Sanitary sewer purposes as shown on Map 120 as set forth by Land Court Order No. 33063, filed April 20, 1971
4. Condominium Map No. 5880, filed in the Bureau of Conveyances, State of Hawaii and Condominium Map No. 2426, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii.
5. Matters in an instrument that, among other things, contain or provide for easements, assessments, liens and their subordination; provisions relating to partition, restrictions on severability of component interest, covenants, conditions and restrictions, provision that no violation thereof and no enforcement of any lien provided for therein shall defeat or render invalid the lien of a mortgage or deed of trust made in good faith and for value, but omitting any covenants or restrictions if any, based upon race color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

Entitled : Declaration of Condominium Property Regime  
Recorded : December 26, 2018 in the Bureau of Conveyances, State of Hawaii,  
as Document No. A-69340675 A-C, and in the Office of the Assistant  
Registrar of the Land Court, State of Hawaii, as Document No. T-10586218

The project has been divided into three (3) Commercial Units, one hundred forty-seven (147) Residential Units, and thirty-seven (37) Rental Units, more particularly described herein.

6. By-Laws of the Association of Unit Owners of Hawaii City Plaza, recorded December 26, 2018 in the Bureau of Conveyances, State of Hawaii, as Document No. A-69340676, and in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. T-10586219.

7. Any unrecorded leases and matters arising from or affecting the same.

8. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the project land.

**END OF EXHIBIT "F"**

## EXHIBIT "G"

### RESERVED RIGHTS OF DEVELOPER

Capitalized terms have the meanings ascribed to such terms in the Declaration.

Among other rights, Developer will have the following reserved rights with respect to the Project, which are more particularly set forth in the Declaration, Bylaws, House Rules and Purchase Agreement & Deposit Receipt. The following is a brief summary only, and purchasers should refer to the Declaration, Bylaws, House Rules, and Purchase Agreement & Deposit Receipt for more specifics.

#### DECLARATION

A. **RESERVED RIGHT TO GRANT AND RECEIVE EASEMENTS****Error! Bookmark not defined..** Pursuant to Section XIX of the Declaration, notwithstanding anything provided to the contrary, Grantor will have the reserved right, without joinder or consent of any Person, the Board, or any Owners or their mortgagees, during the Development Period, to delete, cancel, relocate, realign, reserve, designate, grant, and receive any and all easements and rights of way over, under, through, across, and upon the Project, or involving adjacent or neighboring parcels of land or adjacent or neighboring condominium projects, deemed necessary or desirable in Grantor's reasonable discretion.

B. **RESERVED RIGHT TO DEREGISTER PARCELS OF THE LAND FROM LAND COURT.** Pursuant to Section XX of the Declaration, notwithstanding anything provided to the contrary, and except as otherwise provided by law, during the Development Period and without joinder or consent of any Person, the Board, or any Owners or their mortgagees, the Developer shall have the reserved right to deregister any registered portions of the Land from the Office pursuant to Section 501-261.5 of the Hawaii Revised Statutes.

C. **RESERVED RIGHT TO ALTER, SUBDIVIDE AND CONSOLIDATE RESIDENTIAL UNITS AND/OR COMMERCIAL UNITS AND/OR CONSTRUCT IMPROVEMENTS WITHIN SAID UNITS AND/OR THEIR APPURTENANT LIMITED COMMON ELEMENTS****Error! Bookmark not defined..** Pursuant to Section XXI of the Declaration, notwithstanding anything provided to the contrary, and except as otherwise provided by law, during the Development Period and without joinder or consent of any Person, the Board, or any Owners or their mortgagees, Grantor will have the reserved right to (1) alter the floor plan of any Unit which it owns at any time, and in any manner Grantor deems appropriate, in its absolute discretion, provided that the Common Interest appurtenant to the Unit shall not change; (2) cause the subdivision of any Unit which it owns at any time to create two (2) or more Units provided that the total Common Interest appurtenant to the newly-created Units shall equal the Common Interest appurtenant to the original Unit; (3) cause the consolidation of any Units which it owns at any time; (4) convert certain portions of any existing Unit which it owns to Limited Common Element status to facilitate any subdivision and/or consolidation; and (5) recalculate the Common Interest appurtenant to each resulting Unit upon such subdivision and/or consolidation; provided that the total Common Interest appurtenant to the resulting Unit(s) shall equal the Common Interest appurtenant to the original Unit(s).

D. **RESERVED RIGHTS REGARDING TELECOMMUNICATIONS EQUIPMENT AND TO RECEIVE REVENUE THEREFROM****Error! Bookmark not defined..** During the Development Period, Grantor will have the reserved right, without joinder or consent of any Person, the Board, or any Owners or their mortgagees, to install or cause the installation of Telecommunications Equipment upon the Common Elements, at its sole cost and expense, and upon such installation the same may become a Limited Common Element appurtenant to a Unit designated and owned by Grantor. The installation of Telecommunications Equipment pursuant to Section XXII of the Declaration shall not be deemed to alter, impair, or diminish the Common Interest, Common Elements and easements appurtenant to the Units, or be a structural alteration or addition to the Tower constituting a material change, or necessitate an amendment to the Condominium Map. All profits or expenses directly attributable to the Telecommunications Equipment shall be distributed or charged directly to the Unit to which the Telecommunications Equipment is appurtenant, if any.

E. **RESERVED RIGHT OF GRANTOR NOT TO DEVELOP AND/OR CONSTRUCT ALL OF**

THE RECREATIONAL AMENITIES AND TO MODIFY, RELOCATE, RECONFIGURE AND REMOVE RECREATIONAL AMENITIES**Error! Bookmark not defined.** Pursuant to Section XXIII of the Declaration, during the Development Period, all of the Recreational Amenities in the Project, as depicted on the Condominium Map, may not be constructed or may not all be constructed at the same time and may be modified, relocated, reconfigured, and removed. Grantor does not represent or warrant that the Recreational Amenities or any portion thereof, will be developed or built or that the Recreational Amenities and/or the types of Recreational Amenities offered will not change and/or that the other portions of the Residential Limited Common Elements will be built or completed prior to, concurrently with, or soon after any or all of the Residential Units are conveyed to third parties.

F. **RESERVED RIGHT TO INSTALL GRANTOR'S SIGNAGE****Error! Bookmark not defined.** Pursuant to Section XXIV of the Declaration, notwithstanding anything provided to the contrary, to and until December 31, 2038, Grantor will have the reserved right, for the benefit of the Project, to install, maintain, repair, replace, and approve of (from time to time) directional signage within the street level of the Project, identity signage, and canopy signage, and other signage within the Limited Common Elements appurtenant to all Residential Units and/or Affordable Rental Units; subject to any zoning laws or other governmental requirements.

G. **RESERVED RIGHT TO MODIFY PROJECT AND TO AMEND CONDOMINIUM DOCUMENTS AND/OR THE CONDOMINIUM MAP****Error! Bookmark not defined.** Pursuant to Section XXV of the Declaration, during the Development Period, Grantor will have the reserved right, without joinder or consent of any Person, the Board, or any Owners or their mortgagees, to effect such modifications to Units and Common Elements in the Project and/or to execute, record and deliver any amendments to the Condominium Documents promulgated thereunder, as may be necessary or appropriate to effect compliance by the Project, the Association or by Grantor, with laws which apply to the Project, including, but not limited to, the FHA and ADA, and any rules and regulations promulgated thereunder, or as may be required by the Commission, by any title insurance company issuing title insurance on the Project or any of the Units, by any institutional Lender lending funds secured by the Project or any of the Units, or by any governmental agency.

H. **RESERVED RIGHT TO CONVERT LIMITED COMMON ELEMENTS TO UNIT****Error! Bookmark not defined.** Pursuant to Section XXVI of the Declaration, notwithstanding anything provided to the contrary, and except as otherwise provided by law during the Development Period and without joinder or consent of any Person, the Board, or any Owners or their mortgagees, Grantor will have the reserved right to convert a Unit Limited Common Element appurtenant to such Unit or Units owned by Grantor or Grantor's successors, assigns or affiliates, or any portion thereof, into a separate Unit of the Project or to add to the area of a Unit. Grantor will have the reserved right to designate certain Unit Limited Common Elements of the Project as Unit Limited Common Elements appurtenant to the newly-created Unit; provided that there is no material adverse effect on the remainder of the Project.

I. **RESERVED RIGHT TO RECHARACTERIZE AND REDESIGNATE UNIT LIMITED COMMON ELEMENTS, RESIDENTIAL LIMITED COMMON ELEMENTS, AND COMMERCIAL LIMITED COMMON ELEMENT****Error! Bookmark not defined.** Pursuant to Section XXVII of the Declaration, during the Development Period, Grantor will have the reserved right to amend the Declaration to (a) recharacterize all or a portion of certain Limited Common Elements as may be appurtenant to a Unit or Units owned by Grantor or Limited Common Elements appurtenant to all Residential Units, all Affordable Rental Units, or all Commercial Units, if all Residential Units, Affordable Rental Units, and Commercial Units, respectively, are owned by Grantor, as being Common Elements of the Project, thus giving up or waiving the exclusive use of such area or areas; and/or (b) redesignate all or a portion of certain Limited Common Elements as may be appurtenant to any Unit owned by Grantor as Limited Common Elements to another Unit or Units, or as Limited Common Elements appurtenant to all Residential Units, all Affordable Rental Unit, or all Commercial Units, as applicable; and/or (c) redesignate a portion of the Limited Common Elements appurtenant to all Residential Units, all Affordable Rental Units, or all Commercial Units, if all Residential Units, Affordable Rental Units, and Commercial Units, respectively, are owned by Grantor, as Limited Common Elements solely appurtenant to a Unit or Units owned by Grantor. Upon recharacterization of any Limited Common Element, the Association shall be required to maintain such areas, and the cost of maintaining such areas shall be assessed to the Owners as set forth in the Condominium Documents.

The right to amend the Declaration to effect such recharacterization or redesignation of any such Limited Common Elements shall occur at any time or times during the Development Period, and Grantor may,

without being required to obtain the consent or joinder of any Owner, lienholder or other persons, execute, deliver and record any deed and/or amendments to the Declaration or to the Condominium Map, and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the foregoing rights, powers or privileges.

J. **RESERVED RIGHTS REGARDING COUNTY PERMITS AND DEVELOPMENT AGREEMENTS AND TO FULFILL COUNTY ROAD WIDENING REQUIREMENTS****Error! Bookmark not defined..** Pursuant to Section XXVIII of the Declaration, Grantor will have the reserved right, until the end of the Development Period, to (a) perform road-widening activities and provide related Improvements along and public way to fulfill any County road-widening requirement; (b) amend the Condominium Documents, including, but not limited to, the Declaration, to satisfy all County permits; (c) enter into any agreements, including, but not limited to, declaring and subjecting the Land and Improvements to restrictive covenants; (d) designate and grant easements; (e) secure any other governmental permits and approvals or amend or supplement any existing government permits, approvals or agreements; (f) revise the budget and Common Expenses, and implement fees; and (g) do all things necessary and convenient, to satisfy the requirements of any land use or other permits pertaining to the Project issued by the County, as the same may be amended, or modified, and to execute, record and deliver any and all documents necessary to effect the same, including, but not limited to, any necessary amendments to the Declaration and to the Condominium Map.

K. **RESERVED RIGHT TO CONVEY PROPERTY TO THE ASSOCIATION.** **Error! Bookmark not defined.** Pursuant to Section XXIX of the Declaration, Grantor will have the reserved right during the Development Period, but not the obligation, without joinder or consent of any Person, the Board, or any Owners or their mortgagees, to convey to the Association, and the Association shall accept, title to any property owned by Grantor or Grantor's successors, assigns or Developer Affiliates, together with the responsibility to perform any and all duties associated therewith. Upon conveyance or dedication of such property to the Association, the Association shall maintain such property at its expense for the benefit of the Owners, and the cost of maintaining such areas, including any maintenance fees associated with such areas, shall be assessed to all Owners as a Common Expense. Any property or interest in property transferred to the Association by Grantor shall be by way of quitclaim deed, "AS IS," "where is". Grantor will have the further right to redesignate Limited Common Elements appurtenant to Units owned by Grantor or Grantor's successors, assigns, or Developer Affiliate as Limited Common Elements appurtenant to Units owned by the Association, if any, and to the extent necessary or required, to amend the Declaration and the Condominium Map to effect the same.

L. **RESERVED RIGHT TO CONDUCT SALES ACTIVITIES****Error! Bookmark not defined..** Pursuant to Section XXX of the Declaration, during the Development Period, Grantor will have the reserved right unto itself, its brokers, sales agents, and other related Persons to access and conduct extensive sales activities at the Project, including the use of any Unit owned by Grantor or its successors, or assigns, and the Limited Common Elements appurtenant solely to said Unit and use of the Limited Common Elements appurtenant to all Residential Units and/or all Affordable Rental Units, for instance, for hosting of receptions on the Activity Deck and use of the Recreational Amenities for such activities, and use of the Limited Common Elements appurtenant to all Commercial Units for model Units, sales, leasing, management, and construction offices, parking and extensive sales displays and activities, the posting and maintenance of signs and other advertisements relating to such sales activities, and to install, maintain, locate, relocate, and reconfigure such structures, displays, advertising signs, billboards, flags, sales desks, kiosks, sales, leasing, management and/or construction offices, interior design and decorator centers, and parking areas for employees, agents, and prospective buyers, as may be necessary or convenient for the proper development and disposition of Units by sale, resale, lease, or otherwise, and the right, but not the obligation, to provide ongoing maintenance, operation, service, construction, and repairs to individual Units in the Project.

M. **RESERVED RIGHT TO CONSOLIDATE, SUBDIVIDE, AND WITHDRAW LAND****Error! Bookmark not defined..** Pursuant to Section XXXI of the Declaration, Grantor will have the reserved right during the Development Period, without joinder or consent of any Person, the Board, or any Owners or their mortgagees, to (i) consolidate the Land with another parcel(s) of land ("Consolidated Lot"), (ii) subdivide the Land to create separate parcels of land ("Subdivided Lots"), and/or (iii) withdraw certain Subdivided Lots from the operation of the Declaration, and convey or cause the conveyance of said withdrawn Subdivided Lots to itself or to a third party as it deems appropriate.

N. **RESERVED RIGHT TO LEASE OR TRANSFER COMMERCIAL UNITS AND THEIR COMMERCIAL LIMITED COMMON ELEMENTS.** Pursuant to Section XXXII of the Declaration, during the Development Period, Grantor, its successors and assigns, as the Owner of the Commercial Units, will have the reserved right, but not the obligation, to lease or transfer ownership of the Commercial Units owned by Grantor their Unit Limited Common Elements to the Association or to a third-party and to redesignate the Unit Limited Common Elements appurtenant to such Commercial Units to a Unit owned by the Association or a third-party and to the extent necessary or required, to amend the Declaration and Condominium Map to effect the same.

O. **RESERVED RIGHT TO ALTER THE NUMBER OF FLOORS AND/OR UNITS IN THE PROJECT.** Pursuant to Section XXXIII of the Declaration, during the Development Period, Grantor will have the reserved right, without joinder or consent of any Person, the Board, or any Owners or their mortgagees, to reduce or increase the number of floors and/or Units in the Project notwithstanding anything provided to the contrary, and except as otherwise provided by law.

P. **GRANTOR'S RESERVED RIGHT TO GRANT EASEMENTS.** Pursuant to Section XXXIV of the Declaration, during the Development Period, Grantor will have the reserved right, without joinder or consent of any Person, the Board, or any Owners or their mortgagees, to grant easements through the Common Elements, including the Residential Limited Common Elements and the Commercial Limited Common Elements, located on the ground floor of the Project, including, without limitation, easements to access certain areas of the Project for recreational use, use for park space, or pedestrian and/or bicycle access or other purposes. Grantor may, without being required to obtain the consent or joinder of any Owner, lienholder or other Persons, execute, deliver and record any deed and/or amendments to the Declaration and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the foregoing rights, powers or privileges.

### **BYLAWS**

**RESERVED RIGHT TO AMEND BYLAWS.** This right is set forth in Article IX, Section 3 of the Bylaws. Developer (pursuant to the Developer's Reserved Rights) shall have the reserved right to unilaterally amend the Bylaws to the extent set forth in the Declaration.

### **HOUSE RULES**

**RESERVED RIGHT TO AMEND HOUSE RULES.** During the Developer Control Period, the Developer may amend the House Rules in any manner without the joinder, consent, or approval of any other party.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL OF THE RIGHTS RESERVED BY THE DEVELOPER UNDER THE CONDOMINIUM DOCUMENTS. WHILE THIS SUMMARY IS A GENERAL SUMMARY OF SOME OF SUCH RESERVED RIGHTS, PURCHASER SHOULD REFER TO THE CONDOMINIUM DOCUMENTS TO DETERMINE THE ACTUAL RIGHTS RESERVED BY THE DEVELOPER. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DOCUMENTS, THE CONDOMINIUM DOCUMENTS SHALL AND WILL CONTROL.

**END OF EXHIBIT "G"**

**EXHIBIT "G"**  
**(Page 4 of 4)**



**EXHIBIT "H"**

**ESTIMATED BUDGET AND INITIAL MAINTENANCE FEES**

**THE AMOUNTS SET FORTH IN THE ATTACHED ARE ESTIMATES ONLY AND MAY CHANGE FOR REASONS BEYOND THE CONTROL OF DEVELOPER.**

**INSURANCE, ENERGY AND LABOR COSTS ARE CURRENTLY IN FLUX AND CAN SUBSTANTIALLY INCREASE OVER A SHORT PERIOD OF TIME. DEVELOPER CANNOT PREDICT HOW CHANGES IN THE ECONOMIC, SOCIAL AND POLITICAL CONDITIONS IN HAWAII, THE U.S. AND/OR GLOBALLY MAY IMPACT SUCH COSTS. PURCHASERS ARE AWARE AND ACKNOWLEDGE THAT THE BUDGET, AND, AS A RESULT, EACH PURCHASER'S MAINTENANCE FEE MAY INCREASE SUBSTANTIALLY DUE TO INCREASING COSTS, INCLUDING COSTS ATTRIBUTED TO INSURANCE COVERAGE, LABOR AND ENERGY.**

**PURCHASER RECOGNIZES AND ACKNOWLEDGES THAT SUCH COMMON INTERESTS AND MAINTENANCE FEES ARE SUBJECT TO CHANGE AS THE PROJECT EVOLVES. SUCH ESTIMATES ARE NOT INTENDED TO BE, AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY DEVELOPER OR CONDOMINIUM MANAGER, INCLUDING, BUT NOT LIMITED TO, ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES.**

Maintenance fees shall commence for the Residential Unit Owners as set forth in Section 6, Paragraph 1 of this Developer's Public Report.

**CERTIFICATE**

I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. I am the Executive Vice President for Hawaiiana Management Company, Ltd., a Hawaii corporation, designated by the Developer of the Hawaii City Plaza condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.

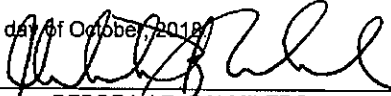
2. Attached hereto is a true and correct copy of the projected budget for the Project. The estimates contained therein, including the maintenance fee assessments and disbursements, are based upon and in reliance on the assumptions, expense and income data provided by the Developer along with information gathered by the Managing Agent from projects of comparable size and character. The estimated figures do not account for inflation, market adjustments, future utility rate changes, future insurance premium rate changes or other unanticipated events, including but not limited to, acts of government, acts of God, terrorism or war. In addition, the projected budget is based upon and in reliance on discussions with the Developer.

3. I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each unit in the Project, as attached hereto and hereby incorporated herein by reference, were determined in accordance with Section 514B-148 of the Hawaii Revised Statutes and Chapter 107 of the Hawaii Administrative Rules, and that the Managing Agent made a good faith effort to calculate such estimates for the one-year period commencing October 3, 2018, based on generally accepted accounting principles; provided that in calculating the annual maintenance charges and the monthly estimated cost for each unit in the Project, there may be some instances where dollars and cents amounts may not be exact due to rounding.

4. As permitted pursuant to Section 514B-148(b), new associations need not collect estimated reserves until the fiscal year which begins after the association's first annual meeting. The Developer has not conducted a reserve study for the Project. The budget amount for Reserves is an estimate only.

5. The Budget has been prepared on a cash basis.

DATED: Honolulu, Hawaii, this 3<sup>rd</sup> day of October, 2018.

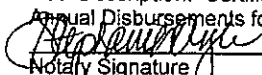
  
Name: DEBORAH B. BALMILERO  
Title: EXECUTIVE VICE PRESIDENT

Subscribed and sworn to before me  
this 3<sup>rd</sup> day of October, 2018.

State of Hawaii  
City & County of Honolulu

Date: October 3, 2018 # of Pages: 9

Doc. Description: Certificate of Managing Agent & Estimated  
Annual Disbursements for: Hawaii City Plaza

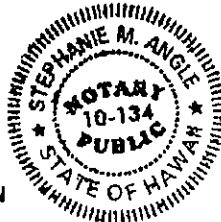
 10-3-2018  
Notary Signature  
Name: Stephanie M. Angle

No. & Expiration: 10-134

0-13-2022

First Circuit, State of Hawaii

**NOTARY CERTIFICATION**



1474789.1  
22594/8/745978.2

**EXHIBIT "H"**  
(Page 2 of 10)

Description	Monthly	Shared	Residential	Rentals	Commercial	Annual
<b><u>Utilities and Services</u></b>						
Electricity	18,213	10,928	5,826	1,459		218,555
Cable, Internet and Wireless in Common	300	300				3,600
Refuse	2,750	2,000			750	33,000
Sewer	2,693		2,154	539		32,313
Common Area phones	1,000	1,000				12,000
Water	1,320		1,056	264	0	15,834
Gas	500		400	100	0	6,000
<b><u>Maintenance, Repair, Supplies for Amenity areas</u></b>						0
Pool and spa	600		480	120	0	7,200
<b><u>Maintenance, Repair, Supplies</u></b>						0
Building/Supplies & Repairs	2,875	1,288	1,029	258	300	34,500
Equipment Maintenance	1,726	863	690	173		20,712
Electrical Lighting	500	430			70	6,000
Floor Cleaning	600	500			100	7,200
Purchasing HUI	200	200				2,400
Security (Purchased)	1,200	1,200				14,400
General Landscaping	3,000	1,500	1,200	300		36,000
Tree Trimming	560	280	224	56		6,720
Landscape Extras	50	25	20	5		600
Elevators	2,800		2,239	561		33,600
Elevator Extra	100		80	20		1,200
Fire systems	1,400	1,400				16,800
Window Washing	2,250	2,250				27,000
Pest Control	300	300				3,600
Plumbing	200	100	80	20		2,400
Uniforms	200	200				2,400
Training	100	100				1,200
<b><u>Payroll and Benefits</u></b>						
Resident Manager Salary	6,250	6,250				75,000
Housing Allowance	3,500	3,500				42,000
Maintenance personnel	3,900	3,900				46,800
Housekeeping	4,320	4,320				51,840
Security Staff	10,707	10,707				128,484
Worker's Comp	729	729				8,742
TDI	80	80				960
Health Insurance	3,000	3,000				36,000
Payroll Taxes	1,595	1,595				19,145
Payroll Preparation	178	178				2,136
Holiday Bonuses	500	500				6,000
Management Fees	1,958	1,958				23,496

Description	Monthly	Shared	Residential	Rentals	Commercial	Annual
Audit/Tax Fees	333	333				3,996
Legal Fees	200	200				2,400
Consulting Fees	200	200				2,400
Admin, Services/Supplies	1,600	1,600				19,200
Web Communications	300	300				3,600
Submetering Expenses	125	125				1,500
Meeting Expense	40	40				480
GET/Other	100	100				1,200
Condo Registration	200	200				2,400
<b>Insurance</b>						
Property	6,000	6,000				72,000
Misc Expenses	150	150				1,800
Comp. General Liability	663	663				7,956
Umbrella	430	430				5,160
Directors and Officers	235	235				2,820
Bond	23	23				276
Subtotal	92,752	72,179	15,477	3,875	1,220	1,113,024
Reserve	9,275	7,218	1,548	388	122	111,302
<b>TOTAL</b>	<b>102,027</b>	<b>79,397</b>	<b>17,025</b>	<b>4,263</b>	<b>1,342</b>	<b>1,224,324</b>

10-03-2018

## Estimated Maintenance Fees

Hawaii City Plaza  
(187 units)

Unit Number	Shared	Shared Expenses Monthly	Residential	Residential Expenses Monthly	Rental	Rental Expenses Monthly	Commercial	Commercial Expenses Monthly	Total Monthly	Annual Fee
605	0.658736%	523.02	0.863358%	\$146.99					\$670.00	\$8,040.04
606	0.434936%	345.33		\$0.00	2.276769%	\$97.06			\$442.38	\$5,308.62
607	0.434939%	345.33	0.570047%	\$97.05		\$0.00			\$442.38	\$5,308.55
608	0.531518%	422.01	0.696627%	\$118.60		\$0.00			\$540.61	\$6,487.32
701	0.610780%	484.94		\$0.00	3.197239%	\$136.30			\$621.24	\$7,454.87
702	0.404300%	321.00		\$0.00	2.116384%	\$90.22			\$411.22	\$4,934.68
703	0.616774%	489.70		\$0.00	3.228609%	\$137.64			\$627.34	\$7,528.03
704	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
705	0.658736%	523.02		\$0.00	3.448276%	\$147.00			\$670.02	\$8,040.20
706	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
707	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
708	0.531518%	422.01		\$0.00	2.782330%	\$118.61			\$540.62	\$6,487.44
709	0.540177%	428.88		\$0.00	2.827656%	\$120.54			\$549.43	\$6,593.13
801	0.610780%	484.94		\$0.00	3.197239%	\$136.30			\$621.24	\$7,454.87
802	0.404300%	321.00		\$0.00	2.116384%	\$90.22			\$411.22	\$4,934.68
803	0.616774%	489.70		\$0.00	3.228618%	\$137.64			\$627.34	\$7,528.03
804	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
805	0.658736%	523.02		\$0.00	3.448276%	\$147.00			\$670.02	\$8,040.20
806	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
807	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
808	0.531518%	422.01		\$0.00	2.782330%	\$118.61			\$540.62	\$6,487.44
809	0.540177%	428.88		\$0.00	2.827656%	\$120.54			\$549.43	\$6,593.13
901	0.610780%	484.94		\$0.00	3.197239%	\$136.30			\$621.24	\$7,454.87
902	0.404300%	321.00		\$0.00	2.116384%	\$90.22			\$411.22	\$4,934.68
903	0.616774%	489.70		\$0.00	3.228618%	\$137.64			\$627.34	\$7,528.03
904	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
905	0.658736%	523.02		\$0.00	3.448276%	\$147.00			\$670.02	\$8,040.20
906	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
907	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
908	0.531518%	422.01		\$0.00	2.782330%	\$118.61			\$540.62	\$6,487.44
909	0.540177%	428.88		\$0.00	2.827656%	\$120.54			\$549.43	\$6,593.13
1001	0.610780%	484.94		\$0.00	3.197239%	\$136.30			\$621.24	\$7,454.87

10-03-2018

## Estimated Maintenance Fees

Hawaii City Plaza  
(187 units)

Unit Number	Shared	Shared Expenses Monthly	Residential	Residential Expenses Monthly	Rental	Rental Expenses Monthly	Commercial	Commercial Expenses Monthly	Total Monthly	Annual Fee
1002	0.404300%	321.00		\$0.00	2.116384%	\$90.22			\$411.22	\$4,934.68
1003	0.616774%	489.70		\$0.00	3.228618%	\$137.64			\$627.34	\$7,528.03
1004	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
1005	0.658736%	523.02		\$0.00	3.448276%	\$147.00			\$670.02	\$8,040.20
1006	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
1007	0.434939%	345.33		\$0.00	2.276769%	\$97.06			\$442.39	\$5,308.65
1008	0.531518%	422.01		\$0.00	2.782330%	\$118.61			\$540.62	\$6,487.44
1009	0.540177%	428.88		\$0.00	2.827656%	\$120.54			\$549.43	\$6,593.13
1101	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1102	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
1103	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1104	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1105	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1106	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1107	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1108	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1109	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
1201	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1202	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
1203	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1204	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1205	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1206	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1207	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1208	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1209	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
1401	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1402	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
1403	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1404	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1405	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1406	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55

10-03-2018

## Estimated Maintenance Fees

Hawaii City Plaza  
(187 units)

Unit Number	Shared	Shared Expenses Monthly	Residential	Residential Expenses Monthly	Rental	Rental Expenses Monthly	Commercial	Commercial Expenses Monthly	Total Monthly	Annual Fee
1407	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1408	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1409	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
1501	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1502	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
1503	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1504	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1505	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1506	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1507	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1508	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1509	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
1601	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1602	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
1603	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1604	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1605	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1606	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1607	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1608	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1609	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
1701	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1702	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
1703	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1704	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1705	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1706	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1707	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1708	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1709	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
1801	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1802	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59

10-03-2018

## Estimated Maintenance Fees

Hawaii City Plaza  
(187 units)

Unit Number	Shared	Shared Expenses Monthly	Residential	Residential Expenses Monthly	Rental	Rental Expenses Monthly	Commercial	Commercial Expenses Monthly	Total Monthly	Annual Fee
1803	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1804	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1805	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1806	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1807	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1808	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1809	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
1901	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
1902	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
1903	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
1904	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1905	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
1906	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1907	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
1908	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
1909	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2001	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2002	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2003	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
2004	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2005	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2006	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2007	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2008	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2009	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2101	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2102	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2103	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
2104	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2105	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2106	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2107	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55



10-03-2018

## Estimated Maintenance Fees

Hawaii City Plaza  
(187 units)

Unit Number	Shared	Shared Expenses Monthly	Residential	Residential Expenses Monthly	Rental	Rental Expenses Monthly	Commercial	Commercial Expenses Monthly	Total Monthly	Annual Fee
2108	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2109	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2201	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2202	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2203	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
2204	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2205	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2206	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2207	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2208	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2209	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2301	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2302	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2303	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
2304	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2305	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2306	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2307	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2308	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2309	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2401	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2402	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2403	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
2404	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2405	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2406	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2407	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2408	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2409	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2501	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2502	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2503	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89

10-03-2018

## Estimated Maintenance Fees

Hawaii City Plaza  
(187 units)

Unit Number	Shared	Shared Expenses Monthly	Residential	Residential Expenses Monthly	Rental	Rental Expenses Monthly	Commercial	Commercial Expenses Monthly	Total Monthly	Annual Fee
2504	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2505	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2506	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2507	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2508	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2509	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2601	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2602	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2603	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
2604	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2605	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2606	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2607	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2608	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2609	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
2701	0.610780%	484.94	0.800510%	\$136.29					\$621.23	\$7,454.73
2702	0.404300%	321.00	0.529890%	\$90.21					\$411.22	\$4,934.59
2703	0.616774%	489.70	0.808367%	\$137.62					\$627.32	\$7,527.89
2704	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2705	0.658736%	523.02	0.863363%	\$146.99					\$670.00	\$8,040.05
2706	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2707	0.434939%	345.33	0.570047%	\$97.05					\$442.38	\$5,308.55
2708	0.531518%	422.01	0.696627%	\$118.60					\$540.61	\$6,487.32
2709	0.540177%	428.88	0.707975%	\$120.53					\$549.42	\$6,593.00
Commercial Unit 1	1.678478%	1,332.66					36.505867%	\$489.91	\$1,822.57	\$21,870.84
Commercial Unit 2	1.106330%	878.39					24.062002%	\$322.91	\$1,201.30	\$14,415.66
Commercial Unit 3	1.813023%	1,439.49					39.432131%	\$529.18	\$1,968.67	\$23,623.98
	100.000000%	79,397.00	100.000000%	\$17,025.00	100.000000%	\$4,263.00	100.000000%	\$1,342.00	\$102,027.00	\$1,224,324.00

END OF EXHIBIT "H"

EXHIBIT "H"  
(Page 10 of 10)

## EXHIBIT "I"

### SUMMARY OF PURCHASE AGREEMENT & DEPOSIT RECEIPT

Capitalized terms have the same meanings ascribed to such terms in the specimen Purchase Agreement & Deposit Receipt ("**Purchase Agreement**").

The specimen Purchase Agreement filed with the State of Hawaii Real Estate Commission, provides for, among other things, a description of the Unit to be sold, the purchase price, the closing costs, the time, manner and place of payment, Purchaser's obligations regarding financing, Seller's warranties and disclaimers regarding the Condominium Map and the Project, and the remedies of Seller and Purchaser in the event of a default under the Purchase Agreement.

Among other provisions the specimen Purchase Agreements provide:

1. Prior to execution of the Purchase Agreement, Purchaser shall receive: (i) a true copy of the Public Report for the Project, either personally or by registered or certified mail with return receipt requested, the recorded Declaration, the recorded Bylaws, the House Rules and the Condominium Map, or be provided written notice regarding an opportunity to examine the Condominium Map, and the Notice of Right to Cancel advising Purchaser of Purchaser's right to cancel the Purchase Agreement, the delivery of which is required by Hawaii Revised Statutes, Section 514B-86. Purchaser shall also have been given an opportunity to read said report.

2. Purchaser may cancel the Purchase Agreement within thirty (30) days of Purchaser's receipt of the Public Report ("Rescission Period"). It is understood that Purchaser may, at any time after Purchaser's receipt of the Notice of Right to Cancel and the documents described in Paragraph 1 above and of Purchaser's execution of the Purchase Agreement, waive Purchaser's right to cancel the Purchase Agreement. If Purchaser shall fail to execute the Notice of Right to Cancel within thirty (30) days of Purchaser's receipt of the Public Report, Purchaser shall be deemed to have waived Purchaser's right to cancel the Purchase Agreement (by Purchaser's failure to give said written notice of cancellation). The conveyance of the Unit to the Purchaser within the thirty (30) day period referenced above shall also be treated as a waiver by Purchaser of Purchaser's right to cancel the Purchase Agreement.

3. Seller shall complete construction of the Unit to permit normal occupancy of the Unit within five (5) years from the date Purchaser signs a binding contract ("**Completion Deadline**"). If the Project is not completed by the Completion Deadline, subject to causes of *force majeure*, Purchaser may cancel his or her Purchase Agreement at any time thereafter and Purchaser shall be entitled to a prompt refund of all monies paid, plus any interest earned thereon, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.00.

4. Seller has entered into an Escrow Agreement, summarized in Exhibit "J" of this Developer's Public Report, with Old Republic Title & Escrow, Ltd. ("**Escrow**"), covering the deposit with Escrow of all funds paid by the Purchaser under the Purchase Agreement and the disbursement of the funds by Escrow. Escrow may charge a cancellation fee on account of escrow services performed not to exceed \$250.00.

5. The Purchase Agreement requires Purchaser to pay the Total Purchase Price by a series of payments prior to Closing, including an initial payment when Purchaser signs the Purchase Agreement, a second deposit and a third deposit. Purchaser shall then deposit the remaining balance due on the Date of Pre-Closing or four (4) business days prior to the Scheduled Closing Date, subject to loan requirements set forth in the Purchase Agreement. Seller may also assess a late fee up to 12% per annum.

6. Before expiration of the Rescission Period, Purchaser must submit to Seller Financial Data in the form and content acceptable to Seller (in Seller's sole discretion) pursuant to Section E.5 of the Purchase Agreement.

7. If Purchaser is obtaining mortgage financing, Purchaser represents and understands that Purchaser is solely responsible for securing such financing.

PURCHASER'S OBLIGATIONS UNDER THE PURCHASE AGREEMENT ARE NOT CONTINGENT OR CONDITIONED ON PURCHASER'S ABILITY TO SECURE FINANCING FROM A MORTGAGE LENDER OR ON PURCHASER'S ABILITY TO SELL PURCHASER'S CURRENT RESIDENCE OR ANY OTHER PROPERTY OR ASSETS OR ON OBTAINING A DESIRED INTEREST RATE. The sale and purchase of the Unit is not contingent upon Purchaser's ability to retain the interest rate quoted at the time of approval of Purchaser's Financial Data and Purchaser will be required to pay the interest charged by Purchaser's lender at the Close of Escrow. No financing by Seller of any portion of the Purchase Price is available.

8. The Purchase Agreement provides that Purchaser may earn interest on Purchaser's deposits, pursuant to the requirements and limitations as set forth in the Purchase Agreement.

9. The Purchase Agreement provides that Purchaser will pay a non-refundable, non-transferable "start-up" fee for the Association of Unit Owners in an amount of two (2) months' estimated maintenance fees for the Unit; plus one (1) month's estimated maintenance fees for the Unit as an advance payment for the initial month's maintenance fees payable by a Unit Owner. These start-up fees are one-time assessments at Closing and are not advance payments of common expenses or assessments, and shall be in addition to the normal monthly assessments. In addition, Purchaser is responsible for all closing costs in connection with the sale, including, without limitation, the escrow fee, cost of a preliminary title report, cost of preparation of the Unit Deed, cost of establishing separate escrow account(s), real property tax proration and other customary proration, all acknowledgment fees, conveyance and transfer taxes of all types, title insurance, if requested by Purchaser, cost of any lender's title insurance, appraisal fees, costs for drafting of any notes and mortgages, all recording costs or fees, the cost of drafting any revisions or addenda to the Purchase Agreement, loan fees, credit report costs and all other applicable mortgage costs, provided that it is understood that this sale is not subject to or conditioned upon Purchaser obtaining a loan.

10. Regardless of the status of construction of the Project and in order to accommodate a bulk closing or series of bulk closings of the Units by Seller, Seller intends to pre-close a bulk number of units from time to time, upon not less than thirty (30) calendar days' prior written notice to Purchaser (the "Seller's Pre-Closing Notice"). Seller's Pre-Closing Notice may establish a schedule with differing dates for certain requirements for the pre-closing to be met by Purchaser. Purchaser shall execute all necessary documents for such pre-closing, including irrevocable escrow instructions, and deposit the same with Escrow no later than the date specified in Seller's Pre-Closing Notice, and Purchaser further agrees to pay into Escrow all sums due from Purchaser at closing, excluding only any loan proceeds, if applicable, upon the date specified in Seller's Pre-Closing Notice.

11. Purchaser or Purchaser's agent shall inspect the Unit on a date and at a time specified by Seller in a written notice to Purchaser. Upon completion of such inspection, Purchaser shall sign or cause its agent to sign an inspection checklist to be furnished by Seller or the contractor, which shall list all defects or damages to the Unit, if any. If Purchaser or its agent fails to inspect (or permit inspection of) Purchaser's Unit on the date and time specified by Seller or other warrantors, then Purchaser acknowledges that such conduct will constitute a waiver of Purchaser's inspection rights under the Purchase Agreement. Purchaser agrees to accept possession of the Unit despite the existence of defects or damage to the Unit, including appliances, which do not render the Unit uninhabitable. Seller will cooperate with and assist Purchaser in having legitimately-listed defects or damage corrected or repaired within a reasonable time thereafter.

12. Purchaser authorizes Seller to make, and Purchaser hereby specifically approves, the following changes to the Project Documents and the Project after the Effective Date:

A. Any such changes as may be required by law, any title insurance company, lender, or governmental agency; provided, however, that such changes shall not constitute a change in the Project which directly, substantially and adversely affects the use or value of the Unit or the Limited Common Elements appurtenant thereto or the amenities of the Project available for Purchaser's use; and is not made pursuant to a right reserved to Seller under the Declaration ("**Material Change**"), or increase the Total Purchase Price.

B. Any non-Material Change that the Seller and/or the Project Architect, in their sole and absolute discretion, deem appropriate, to the Common Elements, including, without limitation, the roadways, parking areas, and landscaping, or any change for reasons related to financial feasibility, efficiency, or aesthetics;

furthermore, the Project Architect may increase or decrease the thickness of any foundation, wall, column, or floor slab, or make other changes to Seller's Plans and Specifications (as defined and discussed further in Section E.26), which could result in the dimensions of Purchaser's Unit or any appurtenant Limited Common Element thus affected becoming smaller or larger, or resulting in a building height or elevation different from that shown on the Condominium Map or stated in the Declaration or the Public Report; provided that the variance in the net living area of the Unit shall not exceed two percent (2%) of the net living area represented in the Project Documents. Further, the Project Architect may make changes necessary to correct any design errors or shortcomings.

C. Any Material Change made while Purchaser is under a binding Purchase Agreement; provided that applicable rescission rights shall be given to Purchaser in accordance with Section 514B-87 of the Hawaii Revised Statutes, as amended, as further described in Section E.30 of the Purchase Agreement.

D. Any changes made pursuant to the rights reserved by Seller as Developer under the Declaration, as more fully explained in Section E.14.c. of the Purchase Agreement.

13. The Purchase Agreement provides that it shall not be construed as a present transfer of any rights or of any interest in the Unit, but rather states that it is an agreement to transfer in the future. By execution of the Purchase Agreement, the Purchaser agrees to waive, relinquish and subordinate the priority or superiority of any lien or other legal or equitable interest arising under the Purchase Agreement in favor of the lien or charge on the Project of the security interests of the Lender, including but not limited to any lien, mortgage or charge securing a loan made to finance the acquisition of the land and the costs of construction (if applicable) and any and all advances therefore until the filing of the Unit Deed.

14. The Purchase Agreement generally provides that it may not be assigned by Purchaser. See Purchase Agreement for definition of what constitutes an "assignment". Any assignment of the Purchase Agreement is void and of no legal effect. Notwithstanding the foregoing, Purchaser may assign its rights under the Purchase Agreement to affiliated entities for estate planning purposes without the consent of Seller, provided that any such assignment shall not release Purchaser from its obligations under the Purchase Agreement. In the event that Purchaser decides to make such an assignment for estate planning purposes, Purchaser shall provide written notice thereof to Seller at least fifteen (15) days prior to the Pre-Closing Date, as defined in the Purchase Agreement, and shall provide to Seller copies of such documents as Seller, in its sole and absolute discretion, deems necessary to complete Closing.

15. SELLER MAY IN THE FUTURE FILE A PUBLIC REPORT AMENDMENT FOR AUTHORIZATION FOR THE USE PURCHASER'S DEPOSIT IN ESCROW FOR THE CONSTRUCTION OF THE PROJECT AND FOR OTHER EXPENSES OF THE PROJECT, AS SET FORTH IN THE ESCROW AGREEMENT AND IN ACCORDANCE WITH HAWAII STATUTORY REQUIREMENTS PERTAINING TO THE USE OF PURCHASERS' FUNDS PRIOR TO CLOSING.

16. Seller is developing the Project, but is not the general contractor or an affiliate of the general contractor who is building the Project. TO THE EXTENT PERMITTED BY LAW, SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, ABOUT THE UNITS OR THE PROJECT, OR ABOUT CONSUMER PRODUCTS OR ANYTHING ELSE INSTALLED OR CONTAINED IN THE UNITS OR THE PROJECT. THIS INCLUDES, BUT IS NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION, FITNESS FOR A PARTICULAR PURPOSE, OR SUFFICIENCY OF DESIGN.

17. HAWAII REVISED STATUTES, CHAPTER 672E ("CHAPTER 672E" OR "THE CONTRACTOR REPAIR ACT"), AS AMENDED, CONTAINS IMPORTANT REQUIREMENTS PURCHASER MUST FOLLOW BEFORE PURCHASER MAY FILE A LAWSUIT OR COMMENCE OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED PURCHASER'S UNIT. NINETY (90) DAYS BEFORE PURCHASER FILES PURCHASER'S LAWSUIT OR COMMENCES ANY ACTION, PURCHASER MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS PURCHASER ALLEGES ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. PURCHASER IS NOT OBLIGATED TO ACCEPT ANY OFFER MADE

BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW, AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT PURCHASER'S ABILITY TO FILE A LAWSUIT OR COMMENCE ANY OTHER ACTION AGAINST THE CONTRACTOR. CHAPTER 672E APPLIES TO ANY CIVIL ACTION, INCLUDING THE INITIATION OF AN ARBITRATION PROCEEDING. REFERENCE TO CHAPTER 672E OR THE CONTRACTOR REPAIR ACT DOES NOT MEAN THAT PURCHASER HAS A RIGHT TO FILE A LAWSUIT WHENEVER CHAPTER 672E MAY APPLY.

18. The Purchase Agreement includes the following provision regarding Dispute Notification and Resolution Procedures:

NOTICE TO PURCHASER:

The following provisions apply to the resolution of Disputes (as defined below):

1. PURPOSE AND EXCLUSIVITY. THE PURPOSE OF THESE DISPUTE NOTIFICATION AND RESOLUTION PROCEDURES (THE "**PROCEDURES**") IS TO PROVIDE SELLER (AS DEFINED HEREIN) AND ITS MANAGERS, MEMBERS, OFFICERS, AGENTS, EMPLOYEES, BROKERS, OTHER REPRESENTATIVES, AND PURCHASER OR OTHER OWNER OF AN INTEREST IN THE UNIT AND ANY PERSONS CLAIMING THEREUNDER (COLLECTIVELY, FOR PURPOSES OF THIS SECTION, THE "**PARTIES**") WITH A MECHANISM TO RESOLVE DISPUTES THAT ARISE IN CONNECTION WITH THIS PURCHASE AGREEMENT. THE PARTIES AGREE THAT THESE PROCEDURES SHALL BE THE METHOD EMPLOYED TO RESOLVE ALL DISPUTES.

2. DEFINITION. A "DISPUTE" MEANS AND INCLUDES ANY AND ALL ACTIONS, CLAIMS OR DISPUTES BETWEEN OR AMONG THE PARTIES WITH RESPECT TO, ARISING OUT OF, OR RELATING TO THIS PURCHASE AGREEMENT, WHERE THE TOTAL AMOUNT IN CONTROVERSY (INCLUDING ALL CLAIMS AND COUNTERCLAIMS) IS GREATER THAN THREE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$3,500.00). A DISPUTE SHALL NOT INCLUDE CONSTRUCTION DEFECTS COVERED UNDER THE CONTRACTOR REPAIR ACT, CHAPTER 672E OF THE HAWAII REVISED STATUTES (THE "CONTRACTOR REPAIR ACT").

3. PRE-CLOSING DISPUTE. NOTWITHSTANDING ANYTHING IN THIS SECTION TO THE CONTRARY AND SUBJECT TO SECTIONS E.35 AND E.36 ABOVE, ANY DISPUTE SOLELY BETWEEN SELLER AND PURCHASER ARISING OUT OF OR INCIDENT TO THIS PURCHASE AGREEMENT MAY BE PURSUED IN A COURT OF COMPETENT JURISDICTION IN HONOLULU, HAWAII, WITHOUT THE OBLIGATION OF DISCUSSION OR MEDIATION, PROVIDED THAT SUCH CLAIM IS FILED PRIOR TO THE SCHEDULED CLOSING DATE HEREIN.

4. DISCUSSION. ANY PERSON WITH A DISPUTE SHALL NOTIFY THE PARTY TO WHOM THE DISPUTE IS DIRECTED IN WRITING OF THE DISPUTE, WHICH WRITING SHALL DESCRIBE THE NATURE OF THE DISPUTE AND ANY PROPOSED REMEDY (THE "DISPUTE NOTICE"). WITHIN A REASONABLE PERIOD AFTER RECEIPT OF THE DISPUTE NOTICE, WHICH PERIOD SHALL NOT EXCEED TWENTY-ONE (21) DAYS, THE PARTIES TO THE DISPUTE, REPRESENTED BY INDIVIDUALS WITH DECISION MAKING AUTHORITY, SHALL MEET AT A MUTUALLY ACCEPTABLE LOCATION WITHIN OR NEAR THE PROJECT TO DISCUSS THE DISPUTE. THE PARTIES TO THE DISPUTE SHALL NEGOTIATE IN GOOD FAITH IN EFFORT TO RESOLVE THE DISPUTE.

5. MEDIATION. IF THE PARTIES CANNOT RESOLVE SUCH DISPUTE PURSUANT TO THE PROCEDURES DESCRIBED IN SECTION E.37.d. ABOVE WITHIN THIRTY (30) CALENDAR DAYS AFTER THE COMMENCEMENT OF DISCUSSIONS, THE MATTER SHALL BE SUBMITTED TO MEDIATION BY AND PURSUANT TO THE PROCEDURES ADOPTED BY DISPUTE PREVENTION AND RESOLUTION, INC. ("DPR") IN HONOLULU, HAWAII, OR ANY SUCCESSOR ENTITY THERETO, OR TO ANY OTHER ENTITY OFFERING MEDIATION SERVICES THAT IS ACCEPTABLE TO THE PARTIES.

a. PARTIES PERMITTED AT SESSIONS. PERSONS OTHER THAN THE PARTIES, THEIR AUTHORIZED REPRESENTATIVES, AND THE MEDIATOR MAY ATTEND THE MEDIATION SESSIONS ONLY WITH THE CONSENT OF THE MEDIATOR; PROVIDED, HOWEVER,

SUCH PERMISSION AND CONSENT SHALL NOT BE REQUIRED TO ALLOW PARTICIPATION OF SUCH PARTIES' LIABILITY INSURERS IN THE MEDIATION TO THE EXTENT REQUIRED UNDER SUCH PARTIES' LIABILITY INSURANCE POLICY.

b. **RECORD.** THERE SHALL BE NO STENOGRAPHIC RECORD OF THE MEDIATION PROCESS.

c. **EXPENSES.** THE EXPENSES OF WITNESSES SHALL BE PAID BY THE PARTY PRODUCING SUCH WITNESSES. ALL OTHER EXPENSES OF THE MEDIATION INCLUDING, BUT NOT LIMITED TO, THE FEES AND COSTS CHARGED BY THE MEDIATOR AND THE EXPENSES OF ANY WITNESSES OR THE COST OF ANY PROOF OR EXPERT ADVICE PRODUCED AT THE DIRECT REQUEST OF THE MEDIATOR, SHALL BE BORNE EQUALLY BY THE PARTIES TO THE MEDIATION UNLESS THEY AGREE OTHERWISE. EACH PARTY TO THE MEDIATION SHALL BEAR ITS OWN ATTORNEYS' FEES AND COSTS IN CONNECTION WITH SUCH MEDIATION.

d. **NO JUDICIAL INTERVENTION.** IF A PARTY INSTITUTES LITIGATION PRIOR TO OBSERVING THE PROCEDURES SET FORTH IN SECTIONS E.37.d AND E.37.e ("PROHIBITED LITIGATION"), SUCH PARTY SHALL BE RESPONSIBLE FOR ALL REASONABLE EXPENSES AND FEES (INCLUDING ATTORNEYS' FEES) INCURRED BY THE OTHER PARTY IN OBTAINING A STAY OR DISMISSAL OF THE PROHIBITED LITIGATION.

e. **CONFIDENTIALITY.** ALL NEGOTIATIONS, MEDIATION PROCEEDINGS, AND ANY DISCOVERY CONDUCTED PURSUANT TO THESE PROCEDURES ARE CONFIDENTIAL. ALL PROCEEDINGS CONDUCTED PURSUANT TO THESE PROCEDURES SHALL BE TREATED FOR ALL PURPOSES AS COMPROMISE AND SETTLEMENT NEGOTIATIONS WITHIN THE MEANING OF RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND RULE 408 OF THE HAWAII RULES OF EVIDENCE.

6. **FURTHER RESOLUTION.** IF THE PARTIES ARE UNABLE RESOLVE A DISPUTE PURSUANT TO THE PROCEDURES DESCRIBED IN SECTIONS E.37.d AND E.37.e ABOVE, EACH PARTY SHALL HAVE THE RIGHT TO PURSUE THE RIGHTS AND REMEDIES AVAILABLE TO SUCH PARTY AT LAW OR IN EQUITY. IF A DISPUTE PROCEEDS IN COURT, SUCH ACTION SHALL BE BROUGHT EXCLUSIVELY IN THE FEDERAL OR STATE COURTS LOCATED IN HONOLULU, HAWAII. THE PARTIES HEREBY AGREE THAT THE COURT SHALL APPLY HAWAII SUBSTANTIVE LAW AND APPLICABLE STATUTES OF LIMITATIONS AND WILL HONOR CLAIMS OF PRIVILEGE RECOGNIZED BY LAW.

7. **USE OF PROCEEDS.** ANY MONETARY DAMAGE OR AWARD PAID TO THE ASSOCIATION, BOARD OR PURCHASER OR OTHER OWNER OF AN INTEREST IN THE UNIT (COLLECTIVELY, "CLAIMANT") IN CONNECTION WITH A DISPUTE ARISING OUT OF AN ALLEGED DEFECT (AS DEFINED BELOW) SHALL FIRST BE APPLIED TOWARDS THE PAYMENT OF THE COST TO REPAIR THE ALLEGED DEFECT, PRIOR TO THE PAYMENT OF ANY LEGAL OR CONSULTING FEES INCURRED BY THE CLAIMANT IN CONNECTION WITH SUCH DISPUTE. FOR PURPOSES OF THIS SECTION, AN "ALLEGED DEFECT" IS A CLAIM, CONTENTION OR ALLEGATION THAT ANY PORTION OF THE PROJECT, INCLUDING, BUT NOT LIMITED TO, ANY UNIT, AND/OR ANY IMPROVEMENTS, ARE DEFECTIVE OR THAT SELLER OR ITS AGENTS, CONSULTANTS, CONTRACTORS OR SUBCONTRACTORS WERE NEGLIGENT IN THE PLANNING, DESIGN, ENGINEERING, GRADING, CONSTRUCTION OR OTHER DEVELOPMENT THEREOF.

8. **STATUTES OF LIMITATION.** THE APPLICABLE STATUTE OF LIMITATIONS SHALL NOT BE TOLLED BY ANYTHING CONTAINED IN THESE PROCEDURES. NOTWITHSTANDING THE PROHIBITION ON LITIGATION, A PARTY MAY COMMENCE AN ACTION SOLELY FOR THE PURPOSE OF TOLLING THE STATUTES OF LIMITATION, PROVIDED SUCH PARTY IMMEDIATELY STAYS THE ACTION TO RESOLVE THE DISPUTE PURSUANT TO THE PROCEDURES DESCRIBED IN SECTIONS E.37.d AND E.37.e ABOVE.

9. SURVIVAL: SUCCESSORS AND ASSIGNS. THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS SECTION SHALL SURVIVE THE CONVEYANCE OF THE UNIT PURSUANT TO THIS PURCHASE AGREEMENT AND THE TERMINATION OR EXPIRATION OF THIS AGREEMENT. THESE PROCEDURES, AND THE RIGHTS, DUTIES, AND OBLIGATIONS OF THE PARTIES, SHALL BE BINDING UPON AND SHALL INURE TO THE BENEFIT OF THEIR RESPECTIVE SUCCESSORS AND PERMITTED ASSIGNS.

10. THIRD-PARTY BENEFICIARY. IT IS THE INTENT OF SELLER AND PURCHASER THAT THE CONTRACTORS, SUBCONTRACTORS, DESIGN PROFESSIONALS, ENGINEERS AND SUPPLIERS WHO PROVIDED LABOR, SERVICES OR MATERIALS TO THE PROJECT, AND SELLER'S AGENTS AND ATTORNEYS, SHALL BE THIRD-PARTY BENEFICIARIES UNDER THIS SECTION, AND SHALL BE ENTITLED TO ENFORCE THE PROVISIONS OF THIS SECTION.

END OF NOTICE TO PURCHASER

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS OR DISCLOSURES CONTAINED IN THE PURCHASE AGREEMENT. THE PURCHASE AGREEMENT CONTAINS OTHER DISCLOSURES ABOUT THE CHANGES THAT MAY BE MADE BY DEVELOPER IN THE PROJECT AND ABOUT OTHER ITEMS AFFECTING ENJOYMENT AND USE OF THE PROJECT. AS SUCH, THIS SUMMARY IS A GENERAL SUMMARY OF SOME OF THE PURCHASER'S RIGHTS AND OBLIGATIONS UNDER THE PURCHASE AGREEMENT, PURCHASER MUST REFER TO THE PURCHASE AGREEMENT TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PURCHASE AGREEMENT, THE PURCHASE AGREEMENT WILL CONTROL.

**END OF EXHIBIT "I"**



## EXHIBIT "J"

### SUMMARY OF ESCROW AGREEMENT

Capitalized terms have the same meanings ascribed to such terms in the Condominium Escrow Agreement for the Project dated September 19, 2018 between Developer and Old Republic Title & Escrow of Hawaii, Ltd. ("**Agreement**"), as may be amended, and which Agreement contains the following provisions (which may be modified or otherwise limited by provisions which are not summarized herein below):

A. As and when Developer shall enter into a Sales Contract, Developer shall deliver a fully-executed copy of such Sales Contract to Escrow. Each Sales Contract shall contain the correct name(s) and address(es) of the Purchaser(s) of such Unit, shall identify the Unit number to be conveyed, shall require that all payments to be made thereunder shall be made to Escrow, and shall be accompanied by the initial deposit required thereby. In addition, each Sales Contract shall specify the effective date(s) of the Developer's Public Report and any and all amendments thereto (herein called the "**Public Report**"), which have been issued by the Real Estate Commission of the State of Hawaii (herein called the "**Real Estate Commission**").

B. Escrow shall receive and hold in escrow and disburse as herein set forth: (a) all payments received by Escrow pursuant to Sales Contracts entered into by Developer; (b) all sums received by Escrow from Developer pursuant to the Agreement; (c) all sums received by Escrow from any other source on account of the Project; and (d) all funds from any lending institution pursuant to a mortgage loan for the purchase of any Unit by a Purchaser. In accordance with written instructions from Developer which are acceptable to Escrow, Escrow shall deposit all funds so received, within a reasonable time after their receipt by Escrow and in reasonably convenient sums, in a federally insured bank, savings and loan association or other financial institution located in the State of Hawaii; provided, however, that if Escrow is instructed to make such deposits more frequently than once each calendar week, Developer shall pay to Escrow a reasonable service charge of not more than \$25.00 for each additional deposit made during such week, provided further, however, that if at any time Escrow holds One Hundred Thousand Dollars (\$100,000.00) or more in immediately available United States Funds, Escrow shall deposit the same immediately, without any additional service charge.

C. Unless otherwise provided in the Agreement, any interest earned on funds delivered to Escrow under the Agreement shall accrue to the credit of Developer unless otherwise specified in the Sales Contract. Escrow shall not be liable to either Developer or any Purchaser for loss or diminution in funds invested in accordance with instructions given to Escrow. If Developer requests that Escrow establish a separate account for a Purchaser, Escrow shall do so provided that (i) the Purchaser shall furnish to Escrow the Purchaser's social security number or federal identification number, and (ii) the Purchaser shall pay Escrow a fee of \$100.00 plus GET to establish such separate account. Any interest earned on funds deposited in such separate account shall accrue to the credit of the Purchaser.

D. Notwithstanding anything contained in the Agreement to the contrary, Escrow shall make no disbursements of purchasers' funds or proceeds from the sale of such units (including any payments made on loan commitments from lending institutions), except by way of refunds thereof, until the Commission has issued an effective date for the Public Report for the Project under Chapter 514B, Seller has provided a letter to Escrow stating (a) that the Sales Contracts have become binding under the provisions of Section 514B-86 of the Act, (b) that there have been no material changes to the Project that would give purchasers a right to rescind under Section 514B-87 of the Act, and (c) that Seller waives any option reserved in any Sales Contract in favor of Seller to cancel the Sales Contract.

E. If Purchaser deposits are to be disbursed prior to Closing or if Units are conveyed or leased prior to completion of construction, Seller shall certify to Escrow in writing and to Escrow's satisfaction that Seller has complied with all of the requirements of HRS §§514B-92 or 514B-93, as applicable. Subject to the provisions of the preceding sentence, disbursements of Purchaser deposits held in escrow shall be made not more than once each month on one check by Escrow, without charge, if requested in writing by Seller, to Seller, to Seller's general contractor or to Seller's lender for the following:

(1) Construction Costs. To pay for construction costs of the buildings and other improvements and fixtures of the Project, including, without limitation, any necessary or required on- or off-site improvements, in such amounts and at such times and in proportion to the valuation of the work completed by the contractor in accordance with the terms of the construction contract, as certified by a licensed architect or engineer and as approved by Seller's lender or a qualified, financially disinterested person who shall be designated in writing by Seller and Seller's lender, if any, and who shall certify to Escrow in writing that such person is financially disinterested (and Escrow shall have the right to rely on said certification).

(2) Fees and Other Expenses. To persons for architectural, engineering, finance and legal fees and other incidental expenses of the Project (but not selling expenses or brokerage fees relating to sales of any unit) to the extent approved by Seller's lender or said financially disinterested person.

(3) Balance of Remaining Funds. The balance of monies remaining in escrow shall be disbursed in accordance with the directions of Seller and Seller's lender or said financially disinterested person only upon completion of the buildings of the Project (or in the case of a conversion, upon completion of the necessary repairs) and when Escrow has received satisfactory evidence that all mechanics' and materialmen's liens have been cleared or sufficient funds have been set aside to cover claims if liens have been filed; otherwise forty-six (46) calendar days after the filing of the affidavit of publication of notice of completion in the office of the clerk of the circuit court where the Project is located, a copy of which shall have been delivered to Escrow; provided, further that if any notice of mechanics' or materialmen's liens shall have been filed, the funds shall be disbursed only when such liens have been cleared or sufficient funds have been set aside to cover such claims.

F. Unless otherwise provided in this Agreement, each Purchaser shall be entitled to a return of funds deposited by such Purchaser with Escrow, and Escrow shall pay such funds to such Purchaser, with any accrued interest to the extent provided in the Sales Contract, if any one of the following occurs:

(1) Seller and Purchaser shall have requested to Escrow in writing that Escrow return to Purchaser the funds or a portion of the funds of Purchaser held hereunder by Escrow; or

(2) Seller shall have notified Escrow the exercise of a Purchaser's right to cancel the Sales Contract pursuant to HRS §514B-86 (thirty-day right to cancel); or

(3) Seller shall have notified Escrow of Seller's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Seller; or

(4) Purchaser or Seller shall have notified Escrow of Purchaser's exercise of Purchaser's right to cancel the Sales Contract pursuant to HRS §514B-89 (failure to complete construction before specified completion deadline); provided that Escrow shall first verify with Seller that Seller has not extended the completion deadline by reason of force majeure; or

(5) Purchaser or Seller shall have notified Escrow of Purchaser's exercise of Purchaser's right to rescind the Sales Contract pursuant to HRS §514B-87 by a valid rescission signed by all Purchasers of the affected Unit and postmarked no later than midnight of the thirtieth (30th) calendar day after the date that the Purchasers received the Rescission Notice from Seller, in which case the Purchasers shall be entitled to a prompt and full refund of any moneys paid.

G. Escrow shall give each Purchaser entitled to a return of funds written notice thereof addressed to such Purchaser at said Purchaser's address shown on the Sales Contract executed by such Purchaser or any address later made known in writing to Escrow by such Purchaser. Upon Escrow's notification to the Purchaser as set forth herein, and delivery of all partially executed Conveyance Documents (defined in Section 9.2 below) to Seller, Escrow shall be released from any further duties or liability hereunder with respect to such funds and such Purchaser. Escrow shall comply with all requirements concerning the escheating of funds under HRS Chapter 523A, as amended.

H. If a Purchaser fails to make any required payment to Escrow on or before the due date thereof or if such Purchaser fails to satisfy any obligation or requirement being handled by Escrow, Escrow shall promptly notify Seller of any such failure on the part of such Purchaser. If Seller subsequently certifies in writing to Escrow that

Seller has terminated the Sales Contract in accordance with the terms thereof and provides to Escrow copies of all such notices of termination sent to such Purchaser and receipts therefor signed by such Purchaser, Escrow shall thereafter treat all funds of such Purchaser paid on account of such Purchaser's Sales Contract as funds of Seller and not as funds of such Purchaser. Such funds shall be free of the escrow established by this Agreement and shall be held by Escrow for the account of Seller. Upon written request by Seller, Escrow shall pay such sums to Seller, less any Cancellation Fee, shall return to Seller any partially executed Conveyance Documents that had been theretofor delivered to Escrow by Seller or Purchaser and shall hold all other documents theretofor delivered to Escrow in connection with such Purchaser's purchase of a Unit for any applicable statutory period. Upon completion of the foregoing, Escrow shall thereupon be released from any further duties or liability hereunder with respect to such funds and such Purchaser.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE ESCROW AGREEMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE ESCROW AGREEMENT, PURCHASER SHOULD REFER TO THE ESCROW AGREEMENT TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE ESCROW AGREEMENT, THE ESCROW AGREEMENT SHALL AND WILL CONTROL.

**END OF EXHIBIT "J"**

## **EXHIBIT "K"**

### **SUMMARY OF HOUSE RULES**

Capitalized terms have the meanings ascribed to such terms in the House Rules or the Declaration.

1. Owners are ultimately and legally responsible for the conduct of all Occupants and Guests of their Unit(s), and at all times shall ensure that their Occupants' and/or Guests' behavior is neither offensive to any other Occupant or Guest of the building nor damaging to any portion of the common elements. All Occupants and Guests shall adhere to the House Rules. No illegal activity shall be conducted on the Premises.
2. Each Occupant shall at all times keep his/her/its Unit in good order and condition and observe and perform to all laws, ordinances, rules, and regulations applicable to the use of the Project and his/her/its Unit now or hereafter made by any governmental authority or the Board.
3. Each Owner shall, or if the Owner is not the Occupant, the Owner shall cause his/her/its Occupant to, maintain all electrical, mechanical, and plumbing components of the Unit and the improvements therein in strict accordance with all applicable maintenance requirements, operating standards, and guidelines (i) of or promulgated by any governmental agency, (ii) set forth in any manufacturer's or supplier's operating manuals or maintenance and care documents for said fixtures and equipment, and (iii) as may be set forth from time to time in the Project Documents (as defined in the House Rules).
4. No Occupant or Guest shall make or suffer any strip or waste or unlawful, improper, or offensive use of a Unit.
5. Nothing shall be allowed, done, or kept in any Unit or common area that would overload or impair the floors, walls, or roof of the Project, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association.
6. No Occupant or Guest shall place, store, or maintain on walkways, roadways, grounds, or other common areas any furniture, packages, or objects of any kind or otherwise obstruct transit through such common areas.
7. Except as otherwise specifically provided in the House Rules, eating, drinking, or smoking (including, without limitation, the use of smoke-less, vapor and electronic cigarettes) is not permitted in any common area of the Project including, without limitation, lobbies, hallways, elevators, corridors, stairwells, waiting areas, the Recreational Deck, and the Parking Structure. In addition, smoking (including, without limitation, the use of smoke-less, vapor and electronic cigarettes) is not permitted in any limited common element appurtenant to a specific Unit.
8. No recreational activities shall be permitted in any portion of the Project except in those areas expressly designated for such activities.
9. No Occupant or Guest shall make or suffer any strip or waste or unlawful, improper, or offensive use of the Project or alter or remove any furniture, furnishings, or equipment from the common areas.
10. Keyless access devices are required to access the elevators in each Building. Occupants shall not allow strangers to enter the elevator behind them and shall not allow Guests to take keyless devices for access. Occupants shall accompany Guests at all times.
11. No livestock, poultry, or other animals whatsoever shall be allowed or kept in any part of the Project, except that dogs, cats, or other typical household pets (each a "pet"), such as guinea pigs, rabbits, fish, or birds may be kept by Occupants of Residential Units and Rental Units in their respective Units subject to the conditions and restrictions contained herein, but shall not be kept, bred, or used therein for any commercial purpose.

- a. Except for fish, no more than one (1) pet shall be allowed per Residential Unit or Rental Unit.
  - b. No pet may exceed twenty-five (25) lbs. in weight. No infant or juvenile pet of a type or breed which, when fully grown, is likely to exceed twenty-five (25) lbs. in weight, may be kept in the Project.
  - c. No animal defined as a "pest" under Hawaii Revised Statutes ("H.R.S.") §150A-2, or prohibited from importation under H.R.S. § 141-2, § 150A-5, or § 150A-6, may be kept in the Project.
  - d. Every Occupant keeping a pet or pets shall register each pet with the Managing Agent, who shall maintain a register of all pets kept in the Project. Dogs, cats, and other similar pets shall wear an identification tag containing the name and contact information of the Occupant.
  - e. No pet is permitted on the Activity Deck and Recreational Amenities.
12. Notwithstanding any provision to the contrary contained herein, animals specially trained to assist disabled individuals (hereinafter referred to as "service animals") or animals required by a physician in writing necessary for emotional support shall be permitted at the Project subject to the following restrictions:
- a. Such service animals and emotional support animals shall not be kept, bred, or used at the Project for any commercial purpose; and
  - b. Such service animals and emotional support animals shall be permitted on the common elements (including but not limited to the Activity Deck and Recreational Amenities) provided the animal is on a leash.
13. Any pet or service animal or emotional support animal causing a nuisance or unreasonable disturbance to any Occupant or Guest, or that is involved in contact with any Occupant, Guest, or other pet in which injury occurs, shall be permanently removed from the Project promptly upon notice given by the Board or the Managing Agent; provided, however, that any such notice given with respect to a service animal or emotional support animal shall provide that before such animal must be removed, its owner shall have a reasonable time to acquire a replacement animal unless the Board determines that such animal poses an imminent serious threat of physical harm to other Occupants or Guests. A tenant of an Owner must obtain the written consent of the Owner to keep a pet or pets in the Residential Unit or Rental Unit. Notwithstanding such consent, a tenant may keep only those types of pets which may be kept pursuant to these House Rules. Any Occupant who keeps a pet or pets pursuant to these House Rules may, upon the death of the pet, replace the pet with another and continue to do so for as long as the Occupant continues to reside in the Residential Unit or Rental Unit or another Residential Unit or Rental Unit in the Project subject to these same House Rules. The Board may from time to time promulgate such rules and regulations regarding the continued keeping of pets, service animals, and emotional support animals as the circumstances may require or the Board may deem advisable.
14. Each owner of a pet and the Owner of the Residential Unit or Rental Unit in which such pet is kept shall indemnify and hold the Association and the Board harmless from and against any and all claims, liabilities, or damages arising out of the presence of such pet in the Residential Unit or Rental Unit and the Project..
15. Except when in transit or using the dog park on the Activity Deck, pets (other than service animals and emotional support animals) shall not be allowed on any common area. Any pet (including a service animal or emotional support animal) in transit through the common areas must be carried whenever practicable or on a leash which keeps the pet within three feet (3') of its handler's feet. Pets shall not be allowed to come into contact with persons other than the handlers thereof, or other pets, except as permitted by such persons or the owners of the other pet(s).
16. Any damage to the Premises caused by a pet shall be the full responsibility of the owner of the pet and the Owner of the Unit in which the pet is kept and the costs of repair or replacement shall be specially assessed to such person(s).

17. Owners of pets shall be responsible for immediately picking up and cleaning up after their pets. Pet waste and trash (sand, litter paper, etc.) shall be wrapped and disposed of with extra care.
18. Owners of dogs, including dogs that are service animals or emotional support animals, shall be assessed a special annual fee of \$50.00 per dog to defray the additional costs resulting from the presence of such dogs in the Project and incurred by the Association in properly cleaning and maintaining the common elements of the Project, and to defray administrative costs.
19. There is no lifeguard on duty at the swimming pool or hot tub, if any. Therefore, anyone using the swimming pool or hot tub does so at his/her own risk and is fully responsible for his/her own safety. Parents or a responsible adult are responsible for their children's safety on the Activity Deck and common areas.
20. All persons using any of the Recreational Amenities are required to exercise due care to preserve the functionality and appearance of said facilities. All trash and personal belongings must be removed after use of any Recreational Facility. The chairs or umbrellas, if any, on the Activity Deck should be returned to their original positions/locations to ensure a neat and orderly appearance. All Occupants acknowledge and agree that the Managing Agent may issue rules governing the use of the Recreational Amenities which are not inconsistent with these House Rules.
21. Children under twelve (12) years of age must be supervised by a responsible adult when using any children's play area.
22. For safety and privacy reasons, children under the age of fifteen (15) are not permitted to use the fitness center and the equipment located therein.
23. Damage to the buildings or common areas caused by any Occupant or Guest shall be the responsibility of the Owner who, or whose Occupant or Guest, caused said damage and such damage shall be repaired at the expense of the responsible Owner.
24. If expenses are incurred due to violations of these House Rules by any person for whom an Owner is responsible, the Owner shall pay for such expenses, including reasonable attorneys' fees.
25. In addition to any other remedy available to the Association by law or equity, a monetary fine, as stated below, may be charged against the responsible Owner for each violation of the Declaration, the Bylaws, and/or these House Rules. This fine may be deducted from the responsible Owner's maintenance fee payment. Fines duly imposed but unpaid shall constitute a lien on the Owner's Unit that may be foreclosed upon in like manner as a lien for unpaid assessments to collect the unpaid amount. The Association also has the right to pursue any action to recover a money judgment for any unpaid fines without foreclosing or waiving the lien.
26. The fine for any violation shall be as follows:
  - (A) First Step - written citation to the offending Occupant, with a copy of said citation being sent to the Owner if the offender is not the Owner.
  - (B) Second Step - written citation to the offending Occupant, with a copy being sent to the Owner if the offender is not the Owner. A fine of fifty dollars (\$50.00) (per violation) will be assessed against the Owner if the violation that prompted the first written citation is not corrected within thirty (30) calendar days from the delivery or mailing, whichever is first in time, of the first written citation, if there is a second violation of the same provision of the Declaration, the Bylaws, or these House Rules, or if there is a subsequent violation of a different provision of the Declaration, the Bylaws, or these House Rules.

- (C) Third Step - written citation to the offending Occupant, with a copy being sent to the Owner if the offender is not the Owner. A fine of one hundred dollars (\$100.00) (per violation) will be assessed against the Owner if the violation that prompted the second written citation is not corrected within thirty (30) calendar days from the delivery or mailing, whichever is first in time, of the second written citation, if there is a third violation of the same provision of the Declaration, the Bylaws, or these House Rules, or if there is a subsequent violation of a different provision of the Declaration, the Bylaws, or these House Rules.
- (D) Fourth Step - written citation (sent Certified and Regular Mail) to the offending Occupant, with a copy being sent Certified and Regular Mail to the Owner if the offender is not the Owner. A fine of two hundred dollars (\$200.00) (per violation) will be assessed against the Owner if the violation that prompted the third written citation is not corrected within thirty (30) calendar days from the delivery or mailing, whichever is first in time, of the third written citation, if there is a fourth violation of the same provision of the Declaration, the Bylaws, or these House Rules, or if there is a subsequent violation of a different provision of the Declaration, the Bylaws, or these House Rules. The Association also reserves the right to take appropriate legal action to preclude the continuance of the violation(s).
27. Any assessment not paid within fifteen (15) calendar days after the due date shall be subject to a late charge as may from time to time be established by the Board.
28. After twelve (12) months, a paid fine shall be removed from an Occupant's record and shall not be used in calculating subsequent violations.
29. The Managing Agent and their staff, as agents for the Board, are authorized to issue written citations and levy fines.
30. Appeal from Citations and Fines. Any person fined and/or cited ("appellant") may appeal from the fine and/or citation imposed by the Board, the Managing Agent as follows:
- a. Notice of Appeal. By delivering to the Managing Agent, within twenty (20) calendar days after the date of delivery or mailing to the appellant, whichever is first in time, of written notice of such fine and/or citation, a written notice of appellant's appeal and the reason(s) therefor. The filing of a notice of appeal shall not halt the accrual of any ongoing fine imposed for the violation, which is the subject of the appeal. The Board may, however, waive or rescind all or part of such fine for good cause at the time of the hearing of such appeal.
  - b. Time for Hearing Appeal. All appeals shall be heard by the Board either by email, telephone conference call, or at a physical meeting of the Board within ninety (90) calendar days after the notice of appeal has been delivered to the Managing Agent.
  - c. Procedure. A statement of the facts on which the fine or citation was based shall be furnished to the appellant at least (10) business days before the hearing. Each appeal will be handled on a case-by-case basis. If a physical meeting is required or requested by the appellant, the appellant and witnesses on the appellant's behalf, if any, may present appellant's defense and supporting evidence. The Board may ask other persons to attend and present testimony, and the Board may consider all relevant testimony, evidence, and information related to the violation.
  - d. Disposition of Appeal. The directors of the Board may not act unless a quorum is present. The Board shall vote as to whether the fine, the amount thereof, and/or citation shall be affirmed. If a majority of the directors of the Board present vote in the affirmative, the fine and/or citation shall be upheld and continue in full force and effect. If less than a majority of those directors of the Board present vote in the affirmative, then the fine and/or citation shall thereby be rescinded.

Except to the extent expressly proscribed or limited by the Declaration, the Bylaws or these House Rules, the Board, through a majority vote, reserves the right to make such other rules or to amend these House Rules from time to time

by action of the Board as it deems appropriate, so long as such rules are not inconsistent with any applicable laws, ordinances, codes, rules, or regulations applicable to the Property and/or its management or operation. During the Developer Control Period, the Developer may amend these House Rules in any manner without the joinder, consent, or approval of any other party.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE HOUSE RULES. THIS SUMMARY IS A GENERAL SUMMARY OF SOME OF THE PROVISIONS IN THE HOUSE RULES AND PURCHASER SHOULD REFER TO THE HOUSE RULES TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE HOUSE RULES, THE HOUSE RULES AGREEMENT SHALL AND WILL CONTROL.

**END OF EXHIBIT "K"**



**EXHIBIT "L"**

**SUMMARY OF LIMITED WARRANTY UNIT DEED, ENCUMBRANCES AND  
RESERVATIONS OF RIGHTS WITH POWER OF ATTORNEY**

Capitalized terms have the meanings ascribed to such terms in the Unit Deed (defined below) or in the Declaration.

The specimen Limited Warranty Unit Deed, Encumbrances and Reservation of Rights with Power of Attorney ("**Unit Deed**") for the units contains among others, the following provisions (which may be modified or otherwise limited by provisions which are not summarized hereinbelow):

A. Grantor is the lawful owner of the fee simple interest in the Unit and the rights to be transferred to Grantee; the same are free and clear of and from all encumbrances except as identified in the Unit Deed and except for the lien of real property taxes not yet by law required to be paid; Grantor has good right and title to sell and convey said real property in the manner set forth in the Unit Deed; and Grantor will WARRANT AND DEFEND the same unto Grantee forever against the lawful claims and demands of all persons claiming through Grantor, except as mentioned in the Unit Deed.

B. Grantee agrees, for the benefit of all other owners of the other Units in the Project, to at all times observe, perform, comply with and abide by all of the covenants, agreements, obligations, conditions and other provisions set forth in the Declaration, the Bylaws, and the House Rules, as any of the same exist or may hereafter be amended in accordance with law, and accepts and approves of the Declaration, Bylaws, and House Rules.

C. Grantee agrees and consents to the exercise by Grantor of any of its reserved rights set forth in the Unit Deed and in the Declaration, and Grantee agrees to sign such documents and do such things as may be required to permit Grantor to exercise those reserved rights, including the signing, delivery and filing of all documents which may be necessary. Grantee appoints Grantor as Grantee's "attorney-in-fact" which means that Grantor can act for Grantee or on Grantee's behalf, with "full power of substitution," which means that someone else may take Grantor's place to sign, deliver and file all documents and to do all things on Grantee's behalf, which grant of authority, being coupled with an interest, which means that Grantor has an interest beyond just in the power Grantee is giving, cannot be revoked by Grantee for the term of the reserved rights and will not be affected by Grantee's disability.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE UNIT DEED. THIS SUMMARY IS A GENERAL SUMMARY OF SOME OF THE PROVISIONS IN THE UNIT DEED AND PURCHASER SHOULD REFER TO THE UNIT DEED TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE UNIT DEED, THE UNIT DEED SHALL AND WILL CONTROL.